

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
OFFICE OF PURCHASING  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

March 3, 1999

CHANGE NOTICE NO. 12  
TO  
CONTRACT NO. 071B6000116  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE Bill Ruddock
IBM Global Services One Michigan Avenue Lansing, MI 48933		 Sharon Walenga, C.P.M.
NIGP #920-23	Contract Administrator: Fran Shooltz Unemployment Agency Mainframe Operations Contract	
CS-138#: NonJuris		
CONTRACT PERIOD	From: October 20, 1995	To: October 19, 2005
TERMS	Net 30 Days	SHIPMENT As Required
F O B.	Delivered/Installed	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

CHANGES:

Contract change to include the Service Level Agreement for 1999 (see attached).

AUTHORITY:

Change mutually agreed to.

TOTAL ESTIMATED CONTRACT REMAINS: \$69,717,188.00



IBM Global Services  
c/o Unemployment Agency  
7th Floor  
7310 Woodward Ave  
Detroit, MI 48202  
313-876-5616

February 3, 1999

Ms. Deb Patterson  
State of Michigan  
Unemployment Agency  
7310 Woodward Ave.  
Detroit, MI 48202

Dear Deb,

Attached is the final copy of the Service Level Agreement for 1999 with the changes you requested in our meeting earlier today. Please indicate your concurrence and forward to Fran Shooltz for her signature. Thank you.

Sincerely,

A handwritten signature in cursive script, reading "Ronald E. Pflieger".

Ronald E. Pflieger  
IBM Customer Services Representative

A handwritten signature in cursive script, reading "Deb Patterson".  
Concurrence 2.4.99  
Date

REC'D FEB 17 1999

**Service Level Agreement (OS-7)**

**For the**

**State of Michigan - Unemployment Agency (UA)**

**Mainframe Operations (MMO) Contract**

**Contract No. 071B6000116**

**February 3, 1999**

# SERVICE LEVEL AGREEMENT

For the

State of Michigan - Unemployment Agency (UA)

Mainframe Operations (MMO) Contract

Between

State of Michigan - UA

And

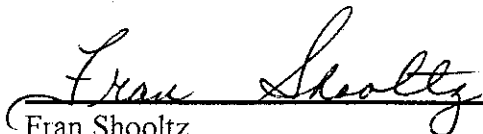
IBM Global Services


For the Period January 1, 1999 through December 31, 1999


Document Name: sla99.lwp

Last Update: December 8, 1998

## APPROVAL

 2/19/99  
\_\_\_\_\_  
Fran Shooltz  
MMO Contract Administrator  
Date

 2/3/1999  
\_\_\_\_\_  
Tom Yambasky  
IBM Project Executive  
Date

 2/3/1999  
\_\_\_\_\_  
Drew Peterson  
IBM Delivery Project Executive  
Date

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## 1. Prologue

### 1.1 Statement of Intent

The Service Level Document is an agreement between the State of Michigan UA and IBM Global Services. The document outlines the I/S Services' service level availability and performance objectives for the development and production environments identified in this document. It also identifies the measurement, planning and reporting procedures.

Reports will be provided daily, weekly, monthly and/or annually as agreed to between the State of Michigan UA and IBM Global Services.

IBM Global Services will implement a proactive process for the State of Michigan UA that will:

- Meet committed State of Michigan UA service levels.
- Ensure timely identification of required system resources.
- Plan and control the quantity of each systems resource to satisfy contract requirements.
- Provide and improve upon capacity projection techniques.

### 1.2 Document Review and Change Procedures

This document will remain in effect until replaced with an updated version to support future environments.

IBM may require a new baseline period for significant changes to the environment. These changes include, but are not limited to:

- 1 A significant change in the volume of online transactions from one month to the next, i.e. greater than 30%, or changes in transaction "mix" which significantly change the performance characteristics of online subsystems.
- 2 New, or changes to, application code which significantly change the performance characteristics of online subsystems.
- 3 New, or changes to, software products or subsystem components which significantly change the performance characteristics of online subsystems.
- 4 New, or changes to, hardware, to include utilization of hardware, which significantly change the performance characteristics of online subsystems.

In the event of major changes which may impact service level agreements, IBM will request a minimum measurement period of 90 days and reserves the right to renegotiate service level agreements which may be impacted. This is consistent with Section 3.10 C of the contract between SOM-UA and IBM Global Services.

## MMO CONTRACT SERVICE LEVEL AGREEMENT

The introduction of IMS DBCTL into the environment in November of 1998 is one such occurrence of a subsystem change which significantly impacts the performance of online transactions. A new baseline period of December, 1998, through February, 1999, will be required to establish the effect that DBCTL will have on internal online response times. This baseline period may indicate a requirement to reset SLA agreements for internal online response time

## 2. Communication Contacts

### 2.1 State of Michigan - UA

Name	Title	Phone Number
Debra Patterson	MMO Project Manager	313-876-6721 Page: 800-946-4646 PIN: 6058172 Home: 810-777-2664
Bill Wright	SOM-UA CIO	313-872-0517 Pager: 517-341-0905
Fran Shooltz	MMO Contract Administrator	517-322-1180

### 2.2 IBM Global Services

Name	Title	Phone Number
Ron Pflieger	Customer Services Representative	313-876-5616 Pager: 800-426-1477 PIN: 1465490 Home: 248-852-9680
Drew Peterson	Delivery Project Executive	303-924-8299 Pager: 800-426-1477 PIN: 1126547 Home: 303-825-3871
Tom Yambasky	Project Executive State of Michigan	248-552-4652 Pager: 800-426-1477 PIN: 6109340 Home: 248-391-2391
Cathy Edwards	Midwestern Sector Manager	248-552-5810 Pager: 800-316-6007



### 3. Service Details

#### 3.1 Operating Environment

##### 3.1.1 Certification of Region Availability

IBM Global Services will provide the required regions as specified in the *State of Michigan - Unemployment Agency's Mainframe Operations - MMO Contract*

#### 3.2 Service Hours

##### 3.2.1 Resource Availability and Scheduled Hours

The table below lists the scheduled hours IBM Global Services will provide processing services availability for each region.

Region	Scheduled Hours (Eastern Time)
<b>Development CICS Regions:</b> <b>PRDVCICS</b> <b>A2DVCICS</b> <b>A9DVCICS</b> <b>TFDVCICS</b>	6:30 a m - 6:30 p m , Monday-Saturday, Sunday upon request . *
<b>TSOD</b>	6:00 a m - midnight, (7) days/week *
<b>Training CICS Regions:</b> <b>PRTRCICS</b> <b>A2TRCICS</b> <b>A9TRCICS</b>	Upon request.
<b>Production CICS Regions:</b> <b>TFASCICS</b> <b>HOSTCICS</b> <b>ARx0CICS where x = 2-9</b>	7:00 a m - 7:15 p m , Monday through Friday (including State holidays )
<b>TSOP</b>	6 a m - midnight, (7) days/week *
<b>BATCH</b>	7:15 p m - 7:00 a m , (7) days/week **

\* Except during Maintenance Window

\*\* Except Maintenance Window and System Backups

#### NOTES:

- 1 One development CICS region (TFASITEST) has no scheduled hours; it is started and stopped at the request of UA.
- 2 This schedule presents the hours of availability that are subject to penalties for outages that are caused by IBM Global Services.

3. UA executes other batch processing during the production online hours
4. Any changes to the scheduled hours of availability, either on a temporary or permanent basis, requires an approved change record in InfoMan (See *Change Management Process Guide*)
5. The weekend schedule for the systems, including planned maintenance window, Production CICS availability, Development CICS availability, or special Batch processing runs shall be reviewed at the weekly Problem/Change Meetings at 1:00 pm Eastern time on Wednesdays. Any agreed to changes to the schedule shall have a corresponding change record as defined in the *Change Management Process Guide*

### 3.3 Excusable Failures to Meet Service Levels

Certain events or conditions may arise in which a system resource is not available during its scheduled availability period, or the response time exceeds the minimum performance standard, and the outage is not subject to a penalty. Examples of such events include:

- Force majeure (as defined in the Contract 1) Definition (aw) on page 5 and 2) excusable failures in Section 2 Subsection 12 on page 27)
- A unscheduled maintenance window approved by UA and IBM Global Services prior to the maintenance window.
- A special batch processing run which prevents the CICS regions from starting on-time
- UA errors in setting up the nightly batch job schedule in Zeke.
- A change initiated by UA which causes a region outage or a response time objective to be exceeded
- Failures due to applications, database logical design, network front-end processor, or UA RACF changes

### 3.4 On-Line Response Time

IBM Global Services shall perform the Processing Services in accordance with the On-line Response Time Performance Standard for each region as set forth in this Service Level Agreement. On-Line response time objectives are as set forth in Section 4, I/S Performance Objectives

### 3.5 System Maintenance Window

The System Maintenance Window is four (4) hours which includes shut down and IPL times. The schedule is Sunday 08:00 A.M. to 12:00 A.M. ET

- On a weekly basis this maintenance window may be made available to UA based on IBM Global Services and UA's requirements
- IBM Global Services may request UA's approval for an alternate maintenance window time

## MMO CONTRACT SERVICE LEVEL AGREEMENT

- Changes to the scheduled maintenance window will be reviewed at the weekly Problem/Change Meeting and have a corresponding change record in InfoMan

## **4. I/S Performance Objectives**

### **4.1 Statement of Purpose**

Normal service for UA users will be provided on the development and production regions.

### **4.2 Measurement Tools**

Service Level Reporter, (SLR,) Service Level Graphics, (SLG,) NetView Performance Monitor(NPM), and InfoManagement (IM) tools are used to measure and track host availability and interruption for State of Michigan UA.

### **4.3 Weighting Factors and Liquidated Damages**

The weighting factors listed in the following tables are to be used in the calculations of liquidated damages in the event that the performance standards indicated are not achieved for any given calendar month

The amount of liquidated damages and examples of how they would be calculated are documented in the contract on pages 42 and 43 under Section B, Liquidated Damage Amounts, Sub-Section 5, Failure to Meet Service Levels, paragraphs d, e, and f.

The weighting factors and performance standards are derived from contract Section 3.10, Service Level Requirements, on pages 3-215 through 3-225.

Service Level Attainment Reports will be provided to UA on a monthly basis. These reports will serve as the basis for determining if any liquidated damages are applicable.

#### **4.3.1 Service Incentives**

IBM proposes that Service Incentives be established to recognize IBM's performance in excess of Service Level Objectives. Service Incentives would apply to categories which have a weighting factor other than 0.0 (there are currently 7 of these categories defined in this document) and be used as offsets in cases where liquidated damages for not meeting Service Level Objectives would apply.

In order to receive a Service Incentive, IBM must exceed the objective by 2%. For example, the objective for CICS internal response time for production regions is that 98% of all transactions must complete in one second or less. If the attainment reports indicate that 98.2% of all transactions completed in one second or less, then IBM would receive one incentive. If 98.5% completed in one second or less, then IBM would receive two incentives.

Service incentives could only be used to offset instances where liquidated damages would be due the State for not achieving Service Level Objectives. Incentives could only be used in the same category where damages are due. Each incentive would reduce the amount of liquidated damages by 1/3 and an incentive could only be used within six months of when it was achieved.

IBM and UA will meet each month to review the Service Level Attainment Reports and determine the status of any liquidated damages and service incentives.

**4.4 Region Availability as Measured Monthly**

<b>Regions</b>	<b>Weighting Factor</b>	<b>Performance Standard</b>
<b>Development:</b> <b>PRDVCICS</b> <b>A2DVCICS</b> <b>A9DVCICS</b> <b>TFDVCICS</b>	0.0	99.5%
<b>Production:</b> <b>HOSTCICS</b> <b>IFASCICS</b> <b>Arx0CICS where x=2-9</b>	0.2	99.5%
<b>TSOD Region (Dev)</b>	0.1	99.5%
<b>TSOP Region (Prod)</b>	0.0	99.5%

#### 4.5 Network Response Time as Measured Monthly

IBM Global Services will use NetView Performance Monitor (NPM) to measure network response time from the MVS host in Boulder to the CNT in Detroit (or a local control unit attached to the CNT,) and back to the host

Regions	Weighting Factor	Performance Standard
Development CICS Regions PRDVCICS A2DVCICS A9DVCICS TFDVCICS	0.0	<2.0 sec-98%
Production CICS Regions HOSTCICS TFASCICS ARx0CICS where x=2-9	0.1	<2.0 sec-98%
Development CICS Regions PRTRCICS A2TRCICS A9TRCICS	0.0	<2.0 sec-98%
Development TSO Region	0.1	<2.0 sec-98%
Production TSO Region	0.0	<2.0 sec-98%

Notes:

- 1 CNT Response time measurements are collected in 30-minute intervals and reported by month

#### 4.6 On-line Response Time as Measured Monthly

TMON/CICS and EPDM (ISO) response time tools will be used to measure and track on-line response time.

Regions	Weighting Factor	Performance Standard
<b>Development CICS Regions</b> PRDVCICS A2DVCICS A9DVCICS IFDVCICS	0.0	<1.0 sec-98%
<b>Production CICS Regions</b> HOSTCICS IFASCICS ARx0CICS where $x = 2-9$	0.2	<1.0 sec-98%
<b>Development TSO Region</b>	0.1	<1.0 sec-95%
<b>Production TSO Region</b>	0.0	<1.0 sec-95%

Notes:

1. TSO Response Time = TSO Trivial host Response Time (Performance Group 2, Period 1)  
ISO response times will be measured using SMF 72 records and will reflect host response time. ISO response time measurements are collected in 15-minute intervals and reported by month using EPDM.
2. Production combined CICS response time will be measured and reported monthly using TMON/CICS and will reflect host response time.
3. Long running CICS transactions may be excluded based on measurements obtained during the validation period and input from the UA applications development support group and/or the IBM Global Services performance group. UA and IBM Global Services will work together to establish meaningful performance criteria.
4. The following CICS transactions will not be used in determining Service Level Attainment: UPRI, UPR4, CSPG, CEMI, CSSY, CEDA, CSNE, DSNC, MIKE, CLS1. These are print and internal CICS transactions. This point was agreed to by Deb Patterson on October 13, 1998.
5. New or significantly changed CICS transaction Ids will not be included in SLA reporting for a three month period following the change. The transaction will be monitored for adherence to SLA objectives, and if it does not meet existing criteria, baselining will be necessary. An example of this is the PROF transaction added in December, 1998, under IM change record 9089.

**4.7 Batch Processing as Measured Monthly**

InfoManagement records will be used to record and track the following measurements:

<b>Environments</b>	<b>Weighting Factor</b>	<b>Performance Standard</b>
All scheduled jobs from the normal nightly critical batch streams have been completed by 07:00 A.M.	0.2	95.0% <sup>1</sup>

**Notes:**

1. All times are in local Detroit time unless otherwise noted
2. IBM Global Services and UA have agreed that the following batch streams are critical and are maintained by the job scheduling titles:
  - A. Benefits Critical Batch Process Document (see Appendix II)
  - B. Contributions Critical Batch Process Document (see Appendix I)

The Change Management Process will be used to control and update the above documentation which identify the critical batch streams
3. Monthly, quarterly, and yearly jobs will be excluded.
4. If UA "rolls" batch, the batch processing on the following night, with double batch jobstreams, will be excluded from this measurement
5. IBM Boulder will be responsible for the following, in order to ensure timely completion of batch processing:
  - A. Tape mounts
  - B. CPU processing capacity
  - C. Performance (i.e. Initiators and I/O)

---

<sup>1</sup> This means "no less than 95% of the total number of actual days the normal batch processing was scheduled in a month."



## **5. Service Level Reporting**

The following reports will be provided by IBM Global Services by the tenth working day of each month:

- Environment Availability
- On-line Response Time
- Network Response Time
- Application Hour Usage (Online Availability and Batch Processing attainment)
- Application DASD Usage

Designated State representatives will have access to Service Level Report (SLR) and Service Level Graphics (SLG)

### **5.1 Service Level Meeting**

A formal SLA management group will be set up between IBM Global Services and State of Michigan UA to monitor and manage the performance of the parties under the SLA's. This group will include the Customer Services Representative, Delivery Project Executive, and the UA Contract Administrator. This group will meet on a monthly basis to review the Service Level Attainment Report.

## MMO CONTRACT SERVICE LEVEL AGREEMENT

### Appendix I. Contributions Critical Batch Process

This is the listing referenced in section 4.7 pertaining to measurements for batch processing. Changes will be made using standard change management procedures with InfoMan and will be reflected in any subsequent changes to the SLA

JAA110DU	JAA148DU
JAA149DU	JAA500DP
JAA504DP	JAA505DP
JAA508DP	JAA506DP
JEC100DB	JCH503DP
JEC110DU	JEC102DU
JEC112DB	JEC111DU
JEC505DP	JEC113DB
JEC604DP	JEC506DP
JEU368DU	JEU367DU
JEU508DP	JEU507DP
JEU511DP	JEU509DP
JEU515DP	JEU512DP
JEU518DP	JEU517DP
JFA508DP	JFA106DU
JLI504DP	JLI503DP
JRD501DP	JRD330DU
JRD503DP	JRD501DU
JRD505DP	JRD504DP
JRD508DP	JRD506DP
JTA115DU	JRE506DP
JTA527DP	JTA504DP
JTA529DP	JTA528DP
JTB500DP	JTB101DU
JTB509DP	JTB503DP
JTB510DP	JTB509DU
JTB517DP	JTB516DP
JTE504DP	JTE502DP
JTM500DP	JTM100DU
JTM506DP	JTM501DP
JTP100DU	JTM513DP
JTP102DU	JTP101DU
JTP105DU	JTP103DU
JTP107DU	JTP104DU
JTP112DB	JTP106DB
JTP507DP	JTP111DU
JTP528DP	JTP113DU
JTP530DP	JTP527DP
JTP541DP	JTP529DP
JTP110DU	JTP531DP
	JTP548DP

## MMO CONTRACT SERVICE LEVEL AGREEMENT

### Appendix II. Benefits Critical Batch Process

This is the listing is referenced in section 4.7 pertaining to measurements for batch processing  
Changes will be made using standard change management procedures with InfoMan and will be reflected in any subsequent changes to the SLA


BIxPAYDU *	
JPY600DP	JPY507DP
JPY601DP	JPY602WP
JPY603WP	JPY505DP
JPY517WP	

\* x = Area number (ex Area 1 is BI1PAYDU)

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
OFFICE OF PURCHASING  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

February 4, 1999

CHANGE NOTICE NO. 11  
TO  
CONTRACT NO. 071B6000116  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE Bill Ruddock
IBM Global Services One Michigan Avenue Lansing, MI 48933		 BOYER (517) 373-8622 <i>Sharon Walenga</i> Sharon Walenga, C.P.M.
NIGP #920-23 Contract Administrator: Fran Shooltz		CS-138#: NonJuris
Unemployment Agency Mainframe Operations Contract		
CONTRACT PERIOD		From: October 20, 1995 To: October 19, 2005
TERMS	Net 30 Days	SHIPMENT As Required
F.O.B.	Delivered/Installed	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

CHANGES:

Contract change to add the following to Section 2:

"CONTRACT TERMS, CONDITIONS AND PROVISIONS, Paragraph 10. DISCLOSURE OF LITIGATION, subsection A. DISCLOSURE:

5. IBM's obligations under the provisions of this section shall be limited to only those disclosures which have a material impact on IBM Global Services' ability to perform the Services under this Agreement."

AUTHORITY:

Change mutually agreed to.

TOTAL ESTIMATED CONTRACT REMAINS: \$69,717,188.00



LOGGED

IBM Global Services  
P O. Box 5050  
11<sup>th</sup> Floor  
Southfield, Michigan 48086-5050  
248-552-4652

January 4, 1999

Ms Sharon Walenga  
Buyer Specialist  
State of Michigan  
Stevens I. Mason Building - 2<sup>nd</sup> Floor  
530 West Allegan  
Lansing, MI 48909

RECEIVED  
OFFICE OF PURCHASING  
99 JAN -6 AM 11:22

Dear Sharon,

Change Authorization Order No 12 for the MESA MO Contract, as submitted in August 1997, had two components: Assignment due to name change to IBM Global Services and Disclosure of Litigation additions. The corresponding Change Notice No. 6 received from the State of Michigan on December 11, 1997 only addressed the first of these two items. Following is a copy of the proposed changes to Section 2, as originally stated in Change Authorization Order No. 12.

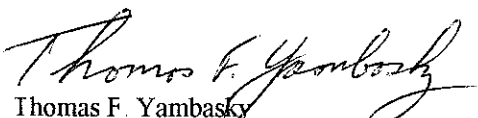
"Add the following to SECTION 2 - CONTRACT TERMS, CONDITIONS AND PROVISIONS, Paragraph 10, DISCLOSURE OF LITIGATION, subsection A DISCLOSURE:

5 IBM's obligations under the provisions of this section shall be limited to only those disclosures which have a material impact on IBM Global Services' ability to perform the Services under this Agreement."

Please indicate your concurrence by signing below and returning a signed copy of this letter back to me

If you should have any questions, please feel free to call me

Sincerely,

  
Thomas F. Yambasky  
IBM Executive Project Manager

cc: Ronald Pflieger

 2/4/99  
Signature Date

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
OFFICE OF PURCHASING  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

February 1, 1999

CHANGE NOTICE NO. 10  
TO  
CONTRACT NO. 071B6000116  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE Bill Ruddock (517) 373-6000
IBM Global Services One Michigan Avenue Lansing, MI 48933		 Sharon Walenga, C.P.M.
NIGP #920-23	Contract Administrator: Fran Shooltz <b>Unemployment Agency Mainframe Operations Contract</b>	
		CS-138#: NonJuris
CONTRACT PERIOD		
From: <b>October 20, 1995</b>		To: <b>October 19, 2005</b>
TERMS	SHIPMENT	
<b>Net 30 Days</b>	<b>As Required</b>	
F.O.B.	SHIPPED FROM	
<b>Delivered/Installed</b>	<b>N/A</b>	
MINIMUM DELIVERY REQUIREMENTS		
<b>N/A</b>		

**CHANGES:**

Effective immediately, the attached Change Authorization Order (CAO) 26 and CAO 27 are approved. CAO 26 modifies the Client Service Team members and other key personnel and CAO 27 allows the attachment of common DASD in Boulder for the residence of Omegamon monitoring tools.

**AUTHORITY:**

Request per contractor and agreed to per the State.

**TOTAL ESTIMATED CONTRACT BECOMES REMAINS: \$69,717,188.00**



RECD DEC 23 1998

IBM Global Services  
P.O. Box 5050  
11<sup>th</sup> Floor  
Southfield, Michigan 48086-5050  
248-552-4661

December 21, 1998

Ms. Gloria Patterson  
State of Michigan – 3<sup>rd</sup> Floor  
611 W Ottawa  
Lansing, MI 48909

Dear Gloria,

As per my PhoneMail to you today, I am enclosing a Change Authorization Notice which requires Fran Shooltz signature and then to be passed on to the appropriate person in purchasing

If you should have any questions, please feel free to call me

Sincerely,

A handwritten signature in cursive script, reading "Denise M. Hamilton". The signature is written in dark ink and is positioned below the word "Sincerely,".

Denise M. Hamilton  
IBM Project Administrator

Enclosure

**A. Scope**

This change order is being requested since the contract between the State of Michigan and IBM Global Services, in Sections 3.6.K and 3.7.H (1a) states "The operating system environments must not share IOCP defined channel connections (direct, shared, chained, or switchable) with any operating system environments not used by MESC without the direct and specific approval of the CA." This change order is to seek that approval in this particular instance.

**B. Deliverables**

This change order does not affect any deliverables of the MMO contract.

**C. Costs**

There are no costs associated with this change order.

**D. Schedule**

These changes will take place in accord with approved InfoMan change records after the approval of this change order.

**III. State Authorization**

Check One:

☒ This order shall be performed for the benefit of the Michigan Employment Security Agency (the "Unemployment Agency") and is not valid until signed by an authorized representative of the Unemployment Agency, the Contract Administrator, and the Purchasing Director.

☐ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* ( the "Authorizing Agency") and all amounts to be paid to IBM Global Services pursuant to this order shall be paid solely from funds available to the Authorizing Agency. IBM Global Services hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against IBM Global Services. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.



#### IV. Signature

IBM Global Services

By: Ronald E. Pflieger  
Title: Customer Services Representative  
Date: 12/22/98

MMO Contract Administrator

By: Frank Shultz  
Title: Deputy Director OCAT  
Date: 1/26/99

UA Authorized Representative

By: Debra Patterson  
Title: Technical Support Manager  
Date: 12.29.98

Department of Management and Budget (Purchasing)

By: Sharon Walenga  
Title: Buyer  
Date: 2/1/99

## **CHANGE AUTHORIZATION ORDER FORM**

**Change Authorization Order for the MMO Contract**

**Contract Number 071B6000116**

**Change Authorization Order Number \_\_\_\_27\_\_\_\_**

### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and IBM Global Services dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

### **II. Description of Change**

In an effort to improve operations in Boulder, IBM Global Services is requesting the State to approve this change to allow the attachment of common DASD to the development and production LPARs on the Boulder system. Common means that the DASD will be shared with other commercial accounts managed by the Service Delivery Center in Boulder.

The DASD will be protected as read only for any user and will contain the code related to the Omegamon monitoring tools.

It should be noted that the attachment of this common DASD in no way affects the State's data. The State's data is on DASD attached only to the State's production and development LPARs and is not readable by any other systems.

## **CHANGE AUTHORIZATION ORDER FORM**

### **Change Authorization Order for the MMO Contract**

**Contract Number 071B6000116**

**Change Authorization Order Number 26**

#### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Agency Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and IBM Global Services dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

#### **II. Description of Change**

IBM Global Services wishes to submit for the State of Michigan Unemployment Agency's approval for the following IBM Global Services Client Service Team members and their designated project roles:

- |    |   |                 |
|----|---|-----------------|
| A. | Vice President - Government                   | Jack Winters    |
| B. | Midwestern Sector Manager                     | Cathy Edwards   |
| C. | Executive Project Manager - State of Michigan | Thomas Yambasky |
| D. | Customer Service Representative               | Ron Pflieger    |

In addition, the following people should be designated as Key Personnel:

- |    |               |  |
|----|---------------|--|
| A. | Ron Pflieger  | Customer Services Representative, IBM Global Services                    |
| B. | Drew Peterson | Delivery Project Executive, Service Delivery Center, IBM Global Services |

Since the Conversion and Transition project has been completed, any other personnel designated as key personnel in the original contract or in Contract Change Notice #3 should no longer be considered key personnel

**A. Scope**

This Change Order does not affect the scope of the MMO contract.

**B. Deliverables**

This Change Order does not affect any deliverables of the MMO contract.

**C. Costs**

There are no costs associated with this change order.

**D. Schedule**

These staffing changes will take place upon your acceptance of this Change Order.

**III. State Authorization**

Check One:

☒ This order shall be performed for the benefit of the State of Michigan Unemployment Agency (SOM UA) and is not valid until signed by an authorized representative of the SOM UA, the Contract Administrator, and the Purchasing Director.

☐ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* ( the "Authorizing Agency") and all amounts to be paid to IBM Global Services pursuant to this order shall be paid solely from funds available to the Authorizing Agency. IBM Global Services hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against IBM Global Services. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

#### IV. Signature

IBM Global Services

By: Thomas J. Gombosky  
Title: Executive Project Manager  
Date: \_\_\_\_\_

MMO Contract Administrator

By: Fran Shultz  
Title: Deputy Director OCAT  
Date: 12/28/98

UA Authorized Representative

By: Leora Patterson  
Title: Technical Programming Manager  
Date: 12/17/98

Department of Management and Budget (Purchasing)

By: Sharon Walery  
Title: Buyer  
Date: 1/12/99

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
OFFICE OF PURCHASING  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

September 15, 1998

CHANGE NOTICE NO. 9  
TO  
CONTRACT NO. 071B6000116  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE Bill Ruddock
IBM Global Services One Michigan Avenue Lansing, MI 48933		 Sharon Walenga, C.P.M.
NIGP #920-23	Contract Administrator: Fran Shooltz Unemployment Agency Mainframe Operations Contract	
		CS-138#: NonJuris
BPO PERIOD	From: October 20, 1995 To: October 19, 2005	
TERMS	Net 30 Days	SHIPMENT As Required
F.O.B.	Delivered/Installed	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

**CHANGES:**

Effective immediately, Change Authorization Order Number 25 (attached) for project management services for Year 2000 efforts is approved.

**AUTHORITY:**

Change requested per the State and agreed to per the Contractor.

**INCREASE: \$202,500.00**

**TOTAL ESTIMATED CONTRACT BECOMES: \$69,717,188.00**

## CHANGE AUTHORIZATION ORDER FORM

Change Authorization Order for the MMO Contract

Contract Number 071B6000116

Change Authorization Order Number 25

### I. Effect on Contract

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and IBM Global Services dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

### II. Description of Change

Add one project manager to support operations coordination for the migration of UA applications to production after all changes and testing have been completed by UA. The rate for this project manager will be \$150.00 per hour. This staffing will be available for up to 50 hours per week from September 1, 1998, through March 1, 1999.

Section 2, item 30, of the MMO contract provides the Unemployment Agency the option to request additional assistance in support of the State's information systems related activities. The Contract Administrator has exercised that option with this request.

#### A. Scope

One project manager for six months. This person will be available for up to 50 hours per week and will coordinate all operations activities associated with migration to production. The project manager will also be responsible for delivery of the special environment for the system date tests.

The project manager will work closely with the UA Information Systems team to establish an understanding of the existing environment and formulate a detailed migration plan. The project manager will address the following:

- Tools required
- Skills resources required
- Tasks and dependencies
- Risk assessment
- Milestones
- Test reviews

- Notification of the UA Project Manager and Executive Sponsor of any obstacles that may jeopardize the completion of the project by the required completion date
- Preparation of the environment at the Service Delivery Center that will facilitate testing of the migration process.

## **B. Deliverables**

- 1) High-level project plan for environment preparation at the Service Delivery Center to facilitate the migration and testing processes.
- 2) Detailed migration project plan.
- 3) Monthly documentation for project-manager-hours-worked to support the related invoices.

## **C. Costs**

IBM Global Services will invoice the Unemployment Agency for actual hours worked by the project manager at the hourly rate of \$150.00 per hour. At the limit of 50 hours per week, over the anticipated six month time period, the estimated cost is:

$$(1 \text{ person}) * (\$150/\text{hour}) * (\text{up to } 50 \text{ hours/week}) * 27 \text{ weeks} = \underline{\$202,500}$$

## **D. Schedule**

The project manager will be available from September 1, 1998 through March 1, 1999.

## **E. The Unemployment Agency Responsibilities**

The Unemployment Agency will use the established problem and change management process using InfoMan to report any needs related to the migration.

The Unemployment Agency will define and create the appropriate security environment and security authorizations to allow proper execution of the process for migration to production.

The Unemployment Agency is responsible for any additional CPU, DASD or Tape usage charges that result from the testing and migration processes.

The Unemployment Agency is responsible for upgrading, remediating or replacing all applications software so that it is Year 2000 ready. Year 2000 Ready means that the product, when used in accordance with its associated documentation, is capable of correctly processing, providing, and/or receiving date data within and between the twentieth and twenty-first centuries, provided that all products (for example, hardware, software, and firmware) used with such product properly exchange accurate date data with it.



### III. State Authorization

Check One:

  X   This order shall be performed for the benefit of the Michigan Employment Security Agency (the "Unemployment Agency") and is not valid until signed by an authorized representative of the Unemployment Agency, the Contract Administrator, and the Purchasing Director.

       This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* ( the "Authorizing Agency") and all amounts to be paid to IBM Global Services pursuant to this order shall be paid solely from funds available to the Authorizing Agency. IBM Global Services hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against IBM Global Services. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

### IV. Signature

IBM Global Services

By: [Signature]  
Title: Project Executive  
Date: 7/8/98

MMO Contract Administrator

By: [Signature]  
Title: Director, MIPE  
Date: 8/20/98

UA Authorized Representative

By: [Signature]  
Title: Technical Support Mgr  
Date: 7.8.98

Department of Management and Budget (Purchasing)

By: [Signature]  
Title: Buyer  
Date: 7/15/98

**STATE OF MICHIGAN**  
**DEPARTMENT OF MANAGEMENT AND BUDGET**  
**OFFICE OF PURCHASING**  
**P.O. BOX 30026, LANSING, MI 48909**  
**OR**  
**530 W. ALLEGAN, LANSING, MI 48933**

**August 14, 1998**

**CHANGE NOTICE NO. 8**  
**TO**  
**CONTRACT NO. 071B6000116**  
**between**  
**THE STATE OF MICHIGAN**  
**and**

NAME & ADDRESS OF VENDOR		TELEPHONE Bill Ruddock
<b>IBM Global Services</b> <b>One Michigan Avenue</b> <b>Lansing, MI 48933</b>		 BUYER 151 313-8622 <i>Sharon Walenga</i> <b>Sharon Walenga, C.P.M.</b>
NIGP #920-23		
<b>Unemployment Agency Mainframe Operations Contract</b>		
BPO PERIOD		To: <b>October 19, 2005</b>
From: <b>October 20, 1995</b>		
TERMS	SHIPMENT	
<b>Net 30 Days</b>	<b>As Required</b>	
F.O.B.	SHIPPED FROM	
<b>Delivered/Installed</b>	<b>N/A</b>	
MINIMUM DELIVERY REQUIREMENTS		
<b>N/A</b>		

**CHANGES:**

Contract Change Notice to:

- Incorporate the following Change Orders (see attached for complete descriptions)

Change Order:	Description	Increase
8	Analyst on-site	\$0.00
10	Analyst Services	\$60,750.00
13	Configuration of 3 T1 lines	\$0.00
14	Availability to MESA during holidays	\$0.00
15	Add'l Development Environment	\$19,640.00
	Set-up	\$19,640.00
	24 mos Maintenance	\$166,704.00
	24 mos. DR	\$32,400.00
20	Add Computer Associates Impact 2000	\$34,359
	2 yrs maintenance	\$9,154.00
	<b>TOTAL</b>	<b>\$323,007.00</b>

- Modify Change Notice #6 (Change Order No. 16) by adding the following: "DASD and CPU usage charges for these products will be at the normal contract rates and included in monthly operations."
- Modify MESA to Unemployment Agency.

**AUTHORITY:**

Request per IBM Global Services and agreed to per the State.

**INCREASE: \$323,007.00\***

**TOTAL ESTIMATED CONTRACT REMAINS \$69,514,688.00\***

\* Increased amount does not effect the value of the contract.

## **CHANGE AUTHORIZATION ORDER FORM**

**Change Authorization Order for the MMO Contract**

**Contract Number 071B6000116**

**Change Authorization Order Number 8**

### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and Integrated Systems Solutions Corporation ("ISSC") dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

### **II. Description of Change**

Description of Service:

#### **A. Scope**

Mr. Robert Crail to provide consultant services to assist with problem determination and resolution related to the converted MESA applications.

#### **B. Deliverables**

Not applicable.

**C. Costs**

This change presents no cost to MESA. IBM Global Services has provided this service at no cost to MESA for the months of April and May and will continue to provide this service for the month of June at no cost to MESA, based on continued availability of Mr. Crail. At the consultant rate cited in Schedule B-9 of the MMO contract, the value of this offer to MESA, for the months of April, May and June, is approximately \$124,080.

Cost of this change to MESA = \$0.00

*John Costello*

**D. Schedule**

Unless his company requires Mr. Crail for another commitment, he will be available through June 27, 1997.

### III. State Authorization

Check One:

☒ This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA, the Contract Administrator, and the Purchasing Director.

☐ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* ( the "Authorizing Agency") and all amounts to be paid to ISSC pursuant to this order shall be paid solely from funds available to the Authorizing Agency. ISSC hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against ISSC. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

Integrated Systems Solutions Corporation

By: [Signature]  
Title: Project MMO Manager  
Date: 5/29/97

Michigan Employment Security Agency

By: William C. Wjke  
Title: CEO  
Date: 3-26-98

Contract Administrator

By: [Signature]  
Title: MESA Director  
Date: 4/14/98

Department of Management and Budget (Purchasing)

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## CHANGE AUTHORIZATION ORDER FORM

Change Authorization Order for the MMO Contract  
Contract Number 071B6000116  
Change Authorization Order Number 10

### I. Effect on Contract

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and Integrated Systems Solutions Corporation ("ISSC") dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

### II. Description of Change

#### Description of Service:

(1) Add one senior analyst to support post transition information system related activities. The rate for these services will be \$135.00 per hour. This staffing will be available for up to 50 hours per week from July 1, 1997, through August 29, 1997.

(1 person) \* (\$135/hour) \* (up to 50 hours/week) \* 9 weeks = up to \$60,750

(2) Cancel one testing support person effective end of business June 30, 1997.

Section 2, item 30. of the MMO contract provides MESA the option to request additional assistance in support of the State's information systems related activities. The Contract Administrator has exercised that option with this request.

#### A. Scope

One senior analyst for two months who will provide problem determination and resolution services for the converted MESA applications. This person will be available for up to 50 hours per week.

#### B. Deliverables

Invoices will be on a monthly basis and will include timesheets to document hours worked.

#### C. Costs

ISSC will invoice MESA for actual hours worked at the hourly rate of \$135.00 per hour

(\$135/hour) \* (up to 50 hours/week) \* 9 weeks = up to \$60,750.00

#### D. Schedule

This service will be available from July 1, 1997, through August 29, 1997.

### III. State Authorization

Check One:

X This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA, the Contract Administrator, and the Purchasing Director.

       This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* ( the "Authorizing Agency") and all amounts to be paid to ISSC pursuant to this order shall be paid solely from funds available to the Authorizing Agency. ISSC hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against ISSC. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director

Integrated Systems Solutions Corporation

By: Ronald E. Pflieger  
Title: Customer Service Representative  
Date: \_\_\_\_\_

Michigan Employment Security Agency

By: Will C. Wright  
Title: CEO  
Date: 3-26-98

Contract Administrator

By: Frank Shultz  
Title: MESA Director  
Date: 4/14/98

Department of Management and Budget (Purchasing)

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## CHANGE AUTHORIZATION ORDER FORM

Change Authorization Order for the MMO Contract

Contract Number 071B6000116

Change Authorization Order Number 13

### I. Effect on Contract

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Agency Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and IBM Global Services dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

### II. Description of Change

The Contract states, "The three T1 circuits provide redundancy in case of a failure on either circuit. The channel extenders will continue to operate even if one of the circuits is out of service." The current configuration assures that the channel extenders will continue to operate even if one of the circuits is out of service. During clarification of the contract scope, IBM agreed that the contract language on this point may have suffered from the discussions of connectivity requirements.

MESA anticipates the need for more than two T-1 lines and believes that one T-1 line will be insufficient to handle their processing needs during peak periods if two circuits are out of service. The purpose of this change is to assure that the channel extenders will continue to operate with two of the three circuits if one of the circuits is out of service.

#### A. Scope

The scope of this change order includes:

1. Reconfigure the long-haul connectivity of the three MMO T-1 lines: each will be divergent from the other two over the long-haul path.
2. Semiannually, IBM and MESA will review whether this configuration is necessary and sufficient to meet MESA's connectivity needs in relation to their processing volumes.



## **B. Deliverables**

IBM certification that each of the three MMO T-1 lines is divergent from the other two over the long-haul path between Detroit and Boulder.

## **C. Costs**

IBM will deliver this change to MESA at no cost.

## **D. Estimated Schedule**

Activity	Duration
1. Receive MESA Signature for Change Order Documents	14 days
2. Procure, reconfigure, and test new circuits.	60 days

## **E. MESA Responsibilities**

MESA will participate in the connectivity test.

## **III. State Authorization**

Check One:

☒ X This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA, the Contract Administrator, and the Purchasing Director.

☐ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* (the "Authorizing Agency") and all amounts to be paid to IBM GLOBAL SERVICES pursuant to this order shall be paid solely from funds available to the Authorizing Agency. IBM GLOBAL SERVICES hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against IBM GLOBAL SERVICES. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

**V. Signature**

IBM Global Services

By: Ronald E. Pflueger  
Title: Customer Service Representative  
Date: 9/22/97

Michigan Employment Security Agency

By: William C. Wigie  
Title: CIO  
Date: 3-26-98

Contract Administrator

By: Fran Shultz  
Title: MR Director  
Date: 4/14/98

Department of Management and Budget (Purchasing)

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

## CHANGE AUTHORIZATION ORDER FORM

Change Authorization Order for the MMO Contract

Contract Number 071B6000116

Change Authorization Order Number 14

### I. Effect on Contract

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Agency Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and IBM Global Services dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

### II. Description of Change

The Contract states, "While MESC generally does not provide processing, either on-line or batch, availability on official State of Michigan holidays, workload variations may require availability on holidays." The purpose of this change is to recognize the current MESA delivery of holiday processing availability as follows:

"MESA generally provides online processing availability on official State of Michigan holidays that fall in the normal Monday through Friday work week."

#### A. Scope

The scope of this change order is to acknowledge a change to system availability on State of Michigan holidays. Current MMO automated schedules already deliver the service required.

#### B. Deliverables

Notice of approval of this change order.

#### C. Costs

The additional costs for this change will be billed in accordance with the current MMO usage rates.

**D. Estimated Schedule**

N/A

**E. MESA Responsibilities**

N/A

**III. State Authorization**

Check One:

☒ X This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA, the Contract Administrator, and the Purchasing Director.

☐ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* (the "Authorizing Agency") and all amounts to be paid to IBM GLOBAL SERVICES pursuant to this order shall be paid solely from funds available to the Authorizing Agency. IBM GLOBAL SERVICES hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against IBM GLOBAL SERVICES. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

**V. Signature**

IBM Global Services

By: Ronald E Pflieger  
Title: Customer Service Representative  
Date: 9/22/97

Michigan Employment Security Agency

By: William C. Wight  
Title: CFO  
Date: 3-26-98

Contract Administrator

By: Fran Spauldy  
Title: MPC Director  
Date: 4/14/98

Department of Management and Budget (Purchasing)

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

STATE OF MICHIGAN  
JOHN ENGEL, GOVERNORTHOMAS E. MALEX  
ACTING DIRECTOR

## MICHIGAN EMPLOYMENT SECURITY AGENCY

7310 WOODWARD AVENUE  
DETROIT, MICHIGAN 48202

September 10, 1997

Ms. Catherine M. Edwards  
Midwestern Sector Manager  
IBM Global Services  
18000 West Nine Mile Road  
Post Office Box 5060  
Southfield, Michigan 48086-5060

Dear Ms. Edwards:

As you are aware, MESA and its outsourcing partner IBM Global Services (IBM) have a very short time remaining to complete enhancements to both mainframe operating systems and application software. Discussions have been underway for some time to determine the best approach for establishing Year 2000 mainframe computer environment(s) in which to perform the needed modifications and testing. Communications problems with IBM have caused a delay in work on this vital project.

This letter is your authorization to build a Year 2000 Development Environment in the current Development LPAR as further described herein. This letter also provides certain information and requests concerning our expectations in regard to resolving remaining issues.

**Year 2000 Development Environment**

MESA requires a Year 2000 Development Environment to be constructed in the existing Development LPAR. This Year 2000 Development Environment, which should be available on or before September 30, 1997, will be used initially on a temporary basis and potentially on a permanent basis. The new Year 2000 Development Environment is to include three (3) additional CICS Regions (Central, Area, and TFAS), a separate ChangeMan application if it is determined to be needed, and installation of IMS version 5.1, to be available and to reside concurrently with the separate IMS version 4.3 now in production.

Based on its understanding of recommendations of IBM personnel on May 14, 1997, MESA explored the benefits of creation and use of a separate LPAR, either on a temporary or permanent basis, for Year 2000 development and testing activities. Recently, IBM has indicated that substantial additional costs will be incurred if this approach is selected by MESA, and has also suggested a number of alternative solutions and provided additional information which might lead to reduced costs. Further, IBM has suggested a move to OS/390 to achieve Year 2000 compliance for the operating system.

MESA has requested additional explanations with respect to the various IBM recommendations, and desires to consider the implications of the recommended



upgrade on its year 2000 schedule and operations. All of the information mentioned in this letter needs to be jointly analyzed in order to reach a conclusion. Our tentative approach (based on conversations on September 8, 1997) will be to develop a solution that does not require IBM to create a third LPAR in Boulder, and which thereby avoids many of the potential additional charges you have suggested may apply. Our goal will be to reach a final decision by September 30, 1997, and to communicate that decision to you at such time.

I recognize that there are a myriad of technical terms and details involved in discussing the needed services, and that I will not be able to deal with those in this letter. It is even likely that I will use terms differently than certain technical staffs employ them in the jargon of the industry. However, I believe the descriptions contained herein will communicate the nature of our requirements on a conceptual basis, and that the details can be worked out on the staff level. Please do not let any incomplete descriptions, differing use of jargon, or assumptions about what MESA requires delay or misdirect the process. IBM personnel should fully discuss the needed services with MESA staff and initiate actions to meet these requirements immediately. IBM personnel should also indicate any additional information that would be useful in reaching decisions so that it can be considered.

#### Detailed Planning and Analysis Meeting in Detroit

A carefully thought-out but timely decision is crucial to MESA's ultimate ability to achieve its Year 2000 objectives. We believe that this analysis must be conducted by technical staffs with requisite knowledge, from both organizations, meeting face to face in Detroit. While helpful, previous conference calls have not succeeded in providing all needed information and decisions on a timely basis. Therefore, we have established September 23<sup>rd</sup> and 24<sup>th</sup> for all-day meetings to analyze our needs and reach agreement on the best approach, and to initiate development of detailed plans and assignments. Those plans and assignments will provide the basis for entering into a detailed Change Order or Contract Amendment clarifying responsibilities and specifying the additional compensation which IBM will earn.

Please make every effort to arrange for critical IBM personnel, to include at a minimum Bob Penn, Lynn Vance, Linda Cail, Gerald Gentry, and Dave Doherty, to attend the meetings planned for September 23<sup>rd</sup> and 24<sup>th</sup>, which will begin at 9:00 a.m. each day. MESA commits to making critical staff from MESA and its Quality Assurance Contractor available for those meetings. We will jointly develop an agenda to make the most effective use of available time.

#### Technology Plan Needed to Reach a Final Decision

There are a tremendous number of details to be worked out at the technical staff level. Critical to finalizing those decisions is MESA review and understanding of the "Technology Plan" due from IBM which will describe how the existing Development and Training LPARS will be brought up to current standards, and subsequently maintained on a reasonably current basis. MESA is very concerned about the lack of currency of its existing operating environments as maintained by IBM, and specifically requests that IBM accelerate such catch-up activities in a manner that does not intrude on other critical activities.

IBM has promised delivery of the Technology Plan for updating to current releases to MESA for review on or about September 19, 1997. We believe the most effective method of presentation and review is for IBM experts to present and "walkthrough" the plan in a forum of MESA staff. This avoids the confusion and potential delays inherent in review of multiple drafts of narrative and bullet point lists which may be subject to different interpretations and assumptions. Therefore, we request that, as an integral component of the meeting planned for September 23<sup>rd</sup> and 24<sup>th</sup>, IBM technical staff present and review the Technology Plan for consideration and, hopefully, acceptance by MESA personnel. This approach will also ensure that the information necessary to reach a conclusion on whether a third LPAR is needed and to plan implementation of the Year 2000 Development Environment.

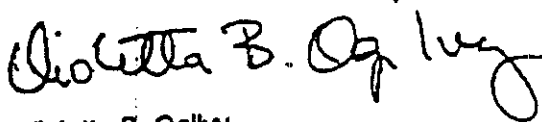
#### Scope and Cost of Authorized Service

With respect to the scope of covered services, MESA will agree to pay the cost of establishing the Year 2000 Development Environment in the current Development LPAR as requested above. MESA will not contest the charges to build this Environment and will, as described in the following paragraph, enter into a detailed Change Order or Contract Amendment covering this and other work as quickly as possible after the meetings on September 23<sup>rd</sup> and 24<sup>th</sup>.

By this letter, IBM Global Services (formerly ISSC) is authorized to begin the out-of-scope work delineated in this letter, in an amount not to exceed \$50,000, to be charged against the existing contract with IBM. A formal Change Order will be processed based on the decisions made and conclusions reached as a result of the meeting scheduled for September 23<sup>rd</sup> and 24<sup>th</sup>, at which time we will consider whether the compensation should be based on a fixed fee or otherwise.

Please call me if you have questions or require additional information.

Sincerely,



Violetta B. Ogilvy  
Chief Information Officer and  
Contract Administrator

CC: Douglas M. Stiles  
Kaimin D. Smith  
George Boersma  
John Palmer  
George C. Casey



## CHANGE AUTHORIZATION ORDER FORM

Change Authorization Order for the MMO Contract  
Contract Number 071B6000116  
Change Authorization Order Number 15

### I. Effect on Contract

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and IBM Global Services dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

### II. Description of Change

The state has determined that an additional development environment will be required to support development and testing of application changes. This environment will include:

- Four CICS regions
- IMS upgrade to V5.1 with DBCTL
- Two additional changeman applications
- Librarian files dedicated to the additional development

Second level qualifiers for associated libraries, data bases, and files will be developed and documented in InfoMan change record 4713.

#### A. Scope

IBM Global Services will implement the environment as described in accordance with specifications provided by MESA.

## **B. Service Levels**

### **Environment Availability**

The additional CICS regions will be available from 5:00 am to 9:00 pm seven days a week as documented in InfoMan change record 4934.

### **Response Time**

Response time commitments will be included in the service level agreements after a 90 day measurement period. IBM requests that this measurement period begin on January 5, 1998, when we expect full development usage of the new development resources. At the end of the 90 day measurement period, IBM reserves the right to renegotiate service level objectives as specified on page 3-220 of the contract.

## **C. Deliverables**

IBM Global Services will provide an operational environment according to the specifications described above.

## **D. Costs**

The costs associated with the additional Development Environment are as follows:

### **Initial Setup**

Item	Hours	Price/Hour	Price
Setup MVS	8	96.00	768.00
IMS DBA Analysis	32	85.00	2,720.00
Install IMS v5.1	36	96.00	3,456.00
Setup DASD	20	96.00	1,920.00
Setup RMDS	8	96.00	768.00
Setup Changeman	8	75.00	600.00
Logical Network	20	96.00	1,920.00
Build CICS regions	30	96.00	2,880.00
Setup NetView	20	96.00	1,920.00
Setup Automations	20	96.00	1,920.00
Setup Performance	8	96.00	768.00

---

\$19,640.00

Monthly maintenance cost for the additional development environment: \$6,946.00

Monthly costs to include the additional development environment in the disaster recovery services: \$1,350.00

1. IBM will deliver an invoice for the initial setup costs by the tenth business day of November, 1997.
2. The period of this change order is fourteen months, November 1, 1997 through December 31, 1998, renewable on request each October. IBM will deliver a monthly invoice for the maintenance and disaster recovery costs by the tenth business day of each month, beginning in December, 1997.
3. IBM will present a change order to renew this service by October 1 each year of renewal.

#### **E. Estimated Schedule**

The setup work was completed on October 13, 1997, in accordance with the desires and expectations set forth in the letter from Violetta Ogilvy on September 10, 1997, and modified by the joint requirements definition session held on September 23 and 24.

#### **F. MESA Responsibilities**

MESA will use the established problem and change management process using InfoMan to report any needs related to the additional development environment.

MESA will define and create the appropriate security environment and security authorizations to allow proper installation and operation of this additional environment.

MESA is responsible for any CPU, DASD or Tape usage charges that result from the use of this additional environment.

MESA is responsible for any results achieved in the use of this additional environment.

### III. State Authorization

Check One:

X This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA, the Contract Administrator, and the Purchasing Director.

\_\_\_\_\_ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* (the "Authorizing Agency") and all amounts to be paid to IBM Global Services pursuant to this order shall be paid solely from funds available to the Authorizing Agency. IBM Global Services hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against IBM Global Services. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

#### IV. Signature

IBM Global Services

By: Ronald E. O. Meyer  
Title: Customer Services Representative  
Date: 10/31/97

MMO Contract Administrator

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

MESA Authorized Representative

By: William C. Wight  
Title: CDO  
Date: 3-26-98

Department of Management and Budget (Purchasing)

By: Fran Shooltz  
Title: MIPD Director  
Date: 4/14/98

## CHANGE AUTHORIZATION ORDER FORM

Change Authorization Order for the MMO Contract

Contract Number 071B6000116

Change Authorization Order Number 20

### I. Effect on Contract

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and IBM Global Services dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

### II. Description of Change

This change is a new payment deliverable to acquire a license and install Impact 2000 software from Computer Associates into the MMO Development LPAR at the IBM Global Services Data Center in Boulder Colorado.

#### A. Scope

IBM Global Services will acquire a license of Impact 2000 for use on the MESA system, install it, configure it according to the product documentation, and make it available for the State of Michigan application developers to use.

#### B. MESA Responsibilities

MESA will test the installed software and report any problems or installation requirements using Info/Man. MESA will define and create the appropriate security environment and security authorizations to allow the software to be installed and operate properly.

MESA is responsible for any CPU, DASD, or Tape usage charges that result from the execution of this software. MESA is responsible for any results achieved using this software.

### C. Deliverables

IBM Global Services will provide access to State of Michigan developers with an IBM Global Services owned license of CA's Impact 2000.

### D. Costs

Costs for this change order are:

<u>Item</u>	<u>Cost</u>
1997 Software License Fee and Maintenance	30,519.00
Installation Labor: 40 hours at the Analyst hourly rate of \$96.	3,840.00
Total 1997 charges	34,359.00

In addition, costs for the annual maintenance fee will be charged separately starting 1 year from the software ship date. The annual maintenance fee for 1998 is estimated to be \$4,577.00.

### E. Schedule

The software has been installed on the system for evaluation purposes. The software will be available in the MMO LPAR Development for use by MESA application developers upon execution of this Order. This Change Order takes effect on date of signature on the License Agreement between Computer Associates and IBM Global Services.

## III. State Authorization

Check One:

X This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA, the Contract Administrator, and the Purchasing Director.

\_\_\_\_\_ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* ( the "Authorizing Agency") and all amounts to be paid to IBM Global Services pursuant to this order shall be paid solely from funds available to the Authorizing Agency. IBM Global Services hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against IBM Global Services. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

IV. Signature

IBM Global Services

By: Ronald E. P. [Signature]  
Title: Customer Services Representative  
Date: 12/5/97

MMO Contract Administrator

By: [Signature]  
Title: MTFC Director  
Date: 4/14/98

MESA Authorized Representative

By: William C. Wight  
Title: CTO  
Date: 3-26-98

Department of Management and Budget (Purchasing)

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_



**STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
OFFICE OF PURCHASING  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933**

February 18, 1998

**CHANGE NOTICE NO. 7  
TO  
CONTRACT NO. 071B6000116  
between  
THE STATE OF MICHIGAN  
and**

NAME & ADDRESS OF VENDOR		TELEPHONE Bill Ruddock (517) 272-0222
<b>IBM Global Services One Michigan Avenue Lansing, MI 48933</b>		 <i>Sharon Walenga</i> <b>Sharon Walenga, C.P.M.</b>
NIGP #920-23		
<b>MESA Mainframe Operations Contract</b>		
BPO PERIOD		From: <b>October 20, 1995</b> To: <b>October 19, 2005</b>
TERMS	<b>Net 30 Days</b>	SHIPMENT <b>As Required</b>
F.O.B.	<b>Delivered/Installed</b>	SHIPPED FROM <b>N/A</b>
MINIMUM DELIVERY REQUIREMENTS <b>N/A</b>		

**CHANGES:**

Contract Change Notice to incorporate Change Orders 9, 17, 18, 19, 21 and 22. (See attached for complete descriptions.)

**AUTHORITY:**

Request per IBM Global Services and agreed to per the State.

**INCREASE: \$32,885.00**

**TOTAL ESTIMATED CONTRACT VALUE: \$69,514,688.00\***

\*Revised total includes \$124,800.00 from Change Notice #4.

## **CHANGE AUTHORIZATION ORDER FORM**

**Change Authorization Order for the MMO Contract**

**Contract Number 071B6000116**

**Change Authorization Order Number 9**

### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and Integrated Systems Solutions Corporation ("ISSC") dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

### **II. Description of Change**

MESA has stated a requirement to use the Phoenix Software International MVS/AUTO/FT product release 4.1.5 to support file transfer activities. The purpose of this change authorization is to add the MVS/AUTO/FT to the MESA Mainframe Operations platform in Boulder.

#### **A. Scope**

The scope of this change order includes:

1. Acquire the MVS/AUTO/FT product release 4.1.5 from Phoenix Software International pursuant to MESA signature of the accompanying Perpetual License Agreement, and Limited Warranty, Addendum A, Addendum B, and Amendment No. 1. Install the product on the Boulder MESA MVS Production Logical Partition.
2. Assist MESA in configuring the MVS/AUTO/FT product to meet the MESA's business environment needs.

3. Assist MESA in testing the file transfer functions of the MVS/AUTO/FT product.
4. Should MESA require a major re-work of the MVS/AUTO/FT configuration or the MMO platform to accommodate it, IBM will address the new requirements through an additional Change Order.

## **B. Deliverables**

The following deliverables will be prepared as a part of this change authorization:

1. A non-exclusive, perpetual license for the MVS/AUTO/FT product release 4.1.5 on the MMO platform.
2. Certification of Availability of MVS/AUTO/FT on the MMO platform.

## **C. Costs**

MESA will be responsible for all CPU and DASD usage associated with the MVS/AUTO/FT product. The related costs will be in the MESA Monthly Usage Invoice.

MESA will be responsible for MVS/AUTO/FT product Support and Maintenance as denoted in Addendum A of the accompanying Perpetual License Agreement and Limited Warranty.

<b><u>Description</u></b>	<b><u>Cost</u></b>
MVS/AUTO/FT product release 4.1.5	\$14,500.00
	<u>+ 7%</u>
	\$15,591.00
Installation, Configuration, and Testing	<u>\$ 2,442.00</u>
<b>Total</b>	<b>\$18,033.00</b>

The first year charge is included in the license agreement price. Beginning October 17, 1998 through October 17, 2001 the maintenance charge for each of the next 4 (four) years will be:

\$ 2,175.00  
+ 7%  
 \$ 2,338.00 Per Year

#### **D. Estimated Schedule**

<b><u>Activity</u></b>	<b><u>Duration</u></b>
Receive MESA Signature for Change Order Documents	14 days
Acquire MVS/AUTO/FT for MVS from Phoenix International	3 days
Install MVS/AUTO/FT/MVS on MMO L/PARs	2 days
Configure MVS/AUTO/FT	1 day
Test MVS/AUTO/FT on MMO L/PARs	3 days

#### **E. MESA Responsibilities**

MESA will execute the attached Phoenix Software International MVS/AUTO/FT product Perpetual License Agreement and Limited Warranty which includes the accompanying Agreement Addendum A (Maintenance and Support), Agreement Addendum B, and Software License Amendment No. 1.

Successful completion of this Change Order is dependent on MESA providing a designated person(s) to lead the testing effort in determining successful operation of the product functions for MESA's business environment.

### **III. State Authorization**

Check One:

  X   This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA, the Contract Administrator, and the Purchasing Director.

       This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* (the "Authorizing Agency") and all amounts to be paid to ISSC pursuant to this order shall be paid solely from funds available to the Authorizing Agency. ISSC hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against ISSC. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

### **IV. Attachments**

Letter from Phoenix Software International  
Perpetual License Agreement and Limited Warranty (2 originals)  
Letter of Year 2000 compliance from Phoenix Software International.

**V. Signature**

Integrated Systems Solutions Corporation

By: [Signature]

Title: Customer Service Representative Project Manager

Date: 9/15/97

Michigan Employment Security Agency

By: [Signature]

Title: \_\_\_\_\_

Date: 9/19/97

Contract Administrator

By: [Signature] / [Signature]

Title: \_\_\_\_\_

Date: 12 Sept 97 / 12/15/97

Department of Management and Budget (Purchasing)

By: [Signature]

Title: Buyer

Date: 1/12/98



IBM Global Services  
c/o MESA, 7th Floor  
7310 Woodward Avenue  
Detroit, MI 48202  
313-876-5616

December 5, 1997

Ms. Fran Shooltz  
Department of Management and Budget  
Project MMO  
7150 Harris Drive, 3rd Floor  
Lansing, MI 48202

Dear Ms. Shooltz,

We are pleased to respond to your Request for Changes to the State of Michigan  
MMO Contract for product documentation.

Attached is Change Authorization Order Number: 17

This Change Order is open for acceptance until December 29, 1997.

Sincerely,

A handwritten signature in cursive script, reading 'Ronald E. Pflieger'.

Ronald E. Pflieger  
Customer Services Representative

cc: Ms. D. Patterson

Attachment

## **CHANGE AUTHORIZATION ORDER FORM**

### **Change Authorization Order for the MMO Contract**

**Contract Number 071B6000116**

**Change Authorization Order Number 17**

#### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and IBM Global Services dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

#### **II. Description of Change**

This is a new payment deliverable to the MMO contract to provide a method for MESA to obtain product documentation function for the MMO contract.

##### **A. Scope**

- IBM Global Services will order documentation for MESA based on a written request from MESA referencing this Change Order.
- IBM Global Services will pay for the documentation on behalf of MESA.
- IBM Global Services will bill MESA for the documentation in the amount of the vendor cost of the documentation to IBM Global Services, plus an administrative processing fee of 10%.
- The documentation shall be provided on an "AS IS" basis.
- MESA agrees to pay IBM Global Services in accordance with standard contract procedures.

##### **B. Costs**

The maximum dollar amount of the documentation to be ordered under this Change Order is \$5,000.00.

The corresponding maximum dollar amount for the administrative processing fee under this Change Order is \$500.00.



### **III. State Authorization**

Check One:

X This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA, the Contract Administrator, and the Purchasing Director.

\_\_\_\_\_ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* ( the "Authorizing Agency") and all amounts to be paid to IBM Global Services pursuant to this order shall be paid solely from funds available to the Authorizing Agency. IBM Global Services hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against IBM Global Services. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

#### **IV. Signature**

##### **IBM Global Services**

By: Ronald E. Pflieger  
Title: Customer Services Representative  
Date: 12/5/97

##### **MMO Contract Administrator**

By: Fran Shooltz  
Title: Director M-PC  
Date: 12/15/97

##### **MESA Authorized Representative**

By: Debra Litterton  
Title: Technical Support Mgr  
Date: 12.9.97

##### **Department of Management and Budget (Purchasing)**

By: Sharon Waleyn  
Title: Buyer  
Date: 1-02-98



IBM Global Services  
c/o MESA, 7th Floor  
7310 Woodward Ave.  
Detroit, MI 48202  
313-876-5616

November 25, 1997

Ms. Debra Patterson  
Michigan Employment Security Agency  
State of Michigan  
5th Floor  
7310 Woodward Avenue  
Detroit, MI 48202

Dear Ms. Patterson,

Attached is a copy of Change Order No. 18 for MESA's request to change the responsibility for asset disposition under the MMO Contract from an IBM requirement to a State responsibility.

Please indicate your concurrence by signing below and returning it to me. Your concurrence along with the Change Order should then be forwarded to the MMO contract administrator for Change Order process.

Sincerely,

A handwritten signature in cursive script that reads "Ronald E. Pflieger".

Ronald E. Pflieger  
IBM Customer Services Representative

Attachment: Change Order Authorization Form

Concur:

A handwritten signature in cursive script that reads "Debra Patterson".

Signature

11.30.97

Date

## **CHANGE AUTHORIZATION ORDER FORM**

### **Change Authorization Order for the MMO Contract**

**Contract Number 071B6000116**

**Change Authorization Order Number \_\_\_\_\_18\_\_\_\_\_**

#### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Agency Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and IBM Global Services dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

#### **II. Description of Change**

Section 1. 3. B. 1. of the Contract, Services - Asset Disposition requires IBM Global Services: "to perform Asset Disposition in accordance with the requirements set forth in Section 3 (Work Statement)." The State has determined that they no longer desire IBM Global Services to perform this service. The State will assume responsibility for disposition of the hardware and software assets which are no longer required, due to transition to the IBM Global Services Data Center.

##### **A. Scope**

The Scope of this Change Order is a redirection for the responsibility of asset disposition from IBM Global Services to MESA. There has been no activity to date by IBM Global Services.

##### **B. Deliverables**

There are no deliverables associated with this Change Order.

### **C. Costs**

The costs contained in the contract for IBM Global Services to perform this service are \$43,750; please see Schedule B-10, **ASSET DISPOSITION PRICING SCHEDULE**. This cost will not be incurred by IBM Global Services and therefore will reduce the value of the Contract by \$43,750. There has been no activity to date by IBM Global Services, therefore there is no associated cost

### **D. Estimated Schedule**

This Change Order shall become effective upon completion of the signature page.

### **E. MESA Responsibilities**

MESA will assume responsibility for asset disposition in accordance with Section 1. 3. B. 1. of the contract.

## **III. State Authorization**

Check One:

  X   This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA, the Contract Administrator, and the Purchasing Director.

       This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* (the "Authorizing Agency") and all amounts to be paid to IBM Global Services pursuant to this order shall be paid solely from funds available to the Authorizing Agency. IBM Global Services hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against IBM Global Services. This order is not valid until signed by an authorized representative of the Authorizing Agency, the Contract Administrator, and by the Purchasing Director.

**IV. Signature**

IBM Global Services

By: Ronald E. Pfluegi  
Title: Customer Services Representative  
Date: 11/26/97

MMO Contract Administrator

By: Frank Shadley  
Title: MESA, Director  
Date: 12/15/97

MESA Authorized Representative

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Department of Management and Budget (Purchasing)

By: Sharon Waling  
Title: Buyer  
Date: 1-12-98



IBM Global Services  
c/o MESA, 7th Floor  
7310 Woodward Ave.  
Detroit, MI 48202  
313-876-5616

November 25, 1997

Ms. Debra Patterson  
Michigan Employment Security Agency  
State of Michigan  
5th Floor  
7310 Woodward Avenue  
Detroit, MI 48202

Dear Ms. Patterson,

Attached is a copy of Change Order No. 19 which will acknowledge the deferral of IBM's requirement to provide the OS-9 Billing and Chargeback report deliverable at this time. MESA will notify IBM once IBM is to again proceed with this activity.

Please indicate your concurrence by signing below and returning it to me. Your concurrence along with the Change Order should then be forwarded to the MMO contract administrator for Change Order process.

Sincerely,

A handwritten signature in cursive script, reading "Ronald E. Pflieger".

Ronald E. Pflieger  
IBM Customer Services Representative

Attachment: Change Order Authorization Form

I concur:

A handwritten signature in cursive script, reading "Debra Patterson".  
Signature

11.30.97  
Date

## **CHANGE AUTHORIZATION ORDER FORM**

**Change Authorization Order for the MMO Contract**

**Contract Number 071B6000116**

**Change Authorization Order Number \_\_\_\_ 19 \_\_\_\_**

### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Agency Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and IBM Global Services dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

### **II. Description of Change**

Contract deliverable, OS-9 Billing and Chargeback reports, has been deferred per the request of MESA. The software to perform this function has been placed on the system in Boulder. However, no further activity will occur on this deliverable until MESA requests IBM Global Services to again commence this task.

#### **A. Scope**

The Scope of this Change Order is to acknowledge deferral of the delivery of the OS-9 Billing and Chargeback reports, pending MESA notification to once again proceed with this task

#### **B. Deliverables**

The deliverables associated with this Change Order are deferred until IBM Global Services is notified to proceed by MESA.

#### **C. Costs**

There are no costs associated with this Change Order.



#### **D. Estimated Schedule**

This section is not applicable to this Change Order.

#### **E. MESA Responsibilities**

MESA is to notify IBM Global Services when they desire IBM Global Services to proceed with the deliverable: OS-9 Billing and Chargeback reports.

### **III. State Authorization**

Check One:

☒ X This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA, the Contract Administrator, and the Purchasing Director.

☐ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* (the "Authorizing Agency") and all amounts to be paid to IBM Global Services pursuant to this order shall be paid solely from funds available to the Authorizing Agency. IBM Global Services hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against IBM Global Services. This order is not valid until signed by an authorized representative of the Authorizing Agency, the Contract Administrator, and by the Purchasing Director.

**IV. Signature**

IBM Global Services

By: Ronald E. Pflieger  
Title: Customer Services Representative  
Date: 11/26/97

MMO Contract Administrator

By: Fran Shooltz  
Title: MMO Director  
Date: 12/15/97

MESA Authorized Representative

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Department of Management and Budget (Purchasing)

By: Sharon Waleng  
Title: Buyer  
Date: 1-12-98



IBM Global Services  
c/o MESA, 7th Floor  
7310 Woodward Ave.  
Detroit, MI 48202  
313-876-5616

November 25, 1997

Ms. Debra Patterson  
Michigan Employment Security Agency  
State of Michigan  
5th Floor  
7310 Woodward Avenue  
Detroit, MI 48202

Dear Ms. Patterson,

Attached is a copy of Change Order No. 21 for MESA's request for changes to the State of Michigan MMO Contract for establishing an interim Availability Service Level Agreement for Mainframe Operations.

Please indicate your concurrence by signing below and returning it to me. Your concurrence along with the Change Order should then be forwarded to the MMO contract administrator for Change Order process.

Sincerely,

A handwritten signature in cursive script, reading "Ronald E. Pflieger".

Ronald E. Pflieger  
IBM Customer Services Representative

Attachment: Change Order Authorization Form

Concur:

A handwritten signature in cursive script, reading "Debra Patterson".  
Signature

12/1/97  
Date

## **CHANGE AUTHORIZATION ORDER FORM**

### **Change Authorization Order for the MMO Contract**

**Contract Number 071B6000116**

**Change Authorization Order Number 21**

#### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Agency Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and IBM Global Services dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

#### **II. Description of Change**

The MMO Contract specifies that the Service Level Agreement (SLA) will be established at the end of a 180-day service level baseline measurement period. The service level baseline measurement period is scheduled to end on January 1, 1998.

Prior to the end of the service level baseline measurement period, IBM Global Services has agreed to establish an interim Service Level Agreement for availability of the CICS, TSO, and Batch partitions on the MESA system. Details of this interim Service Level Agreement are found in the document *Interim Service Level Agreement, Project MMO* dated October 1, 1997. (See attachment.)

##### **A. Scope**

This Change alters the period under which IBM Global Services will operate the MESA Mainframe Operations with a Service Level Agreement for availability. The period for the interim SLA will start on October 1, 1997 and end on December 31, 1997.

A comprehensive Service Level Agreement will be established during the baseline measurement period.

### **B. Deliverables**

There are no deliverables associated with this Change Order.

As part of the Interim SLA, the following reports will be provided to MESA by the tenth working day of each month:

- Partition Availability
- Application Hour Usage
- Application DASD Usage

### **C. Costs**

There are no additional costs to MESA for this Change Order.

If IBM Global Services fails to meet the service levels for availability during the period for the interim SLA, IBM Global Services will provide Service Credits in accordance with the contract. The amount of the service credits shall be 30% of the monthly bill times the initial weighting factor as detailed in the contract. More specifically:

<b>Environments</b>	<b>Availability Objective for all scheduled hours</b>	<b>Initial Weighting Factor</b>	<b>Service Credit as a percentage of the Monthly Bill</b>
<b>CICS Regions: Production and Development</b>	99.5%	0.2	6%
<b>TSOD (Dev)</b>	99.5%	0.1	3%

### **D. Schedule**

The Interim Service Level will take effect on October 1, 1997 and terminate on December 31, 1997.

### **E. Attachment**

The Interim Service Level Agreement is attached.

### **III. State Authorization**

Check One:

  X   This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA the Contract Administrator, and the Purchasing Director.

       This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* ( the "Authorizing Agency") and all amounts to be paid to IBM Global Services pursuant to this order shall be paid solely from funds available to the Authorizing Agency. IBM Global Services hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against IBM Global Services. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

#### IV. Signature

IBM Global Services

By: Ronald E. Pflieger  
Title: Customer Services Representative \_\_\_\_\_  
Date: 11/26/97

MMO Contract Administrator

By: Fran Shultz  
Title: Director, MIPG  
Date: 12-2-97

MESA Authorized Representative

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Department of Management and Budget (Purchasing)

By: Sharon Walenz  
Title: Buyer  
Date: 1-12-98

Interim  
Service Level Agreement

Project MMO

October 1, 1997



# SERVICE LEVEL DOCUMENTATION

For Project MMO

Between

State of Michigan

And

IBM Global Services

For the Period

October 1, 1997 through December 31, 1997

Last Update: September 9, 1997

## APPROVAL

Fran Shooltz 112-2-97  
Name Date

~~Violetta Ogilvy~~ FRAN SHOOLTZ  
State of Michigan, MMO Contract Administrator

Ron Pflieger 11/26/97  
Name Date

Ron Pflieger  
IBM MMO Customer Service Representative

\_\_\_\_\_  
Name Date  
Cathy Edwards  
IBM Global Services Midwest Sector Manager - Government

## Prologue

### Statement of Intent

The Interim Service Level Document is an agreement between the State of Michigan and the IBM Global Services. The document outlines the Michigan Employment Services Agency's (MESA) Information Systems availability objectives for the development partition and for the production partition identified in this document. It also identifies the measurement and reporting procedures. IBM Global Services will report service levels monthly.

IBM Global Services will implement a process for MESA that will:

- Meet the availability service levels stated in this document
- Ensure timely identification of required system resources
- Plan and control the quantity of each system resource to satisfy MESA availability requirements
- Provide and improve upon capacity projection techniques.

### Document Review and Change Procedures

This document will remain in effect until replaced with the full Service Level Agreement (SLA) that includes MESA system performance service levels. The parties to this agreement anticipate the full SLA to take effect on January 1, 1998.

## Communication Paths

### State of Michigan

<u>Name</u>	<u>Title</u>	<u>Phone Number</u>
Deb Patterson	MMO Project Manager	313-876-6724
Violetta Ogilvy	MMO Contract Administrator	313-876-5717

### IBM Global Services (IBM)

<u>Name</u>	<u>Title</u>	<u>Phone Number</u>
Ron Pflieger	IBM Global Services Customer Service Representative	Office: 313-876-5616 Pager: 888-912-2752 Home: 248-852-9680
Bob Penn	Account Manager IBM Global Services, Boulder	Office: 303-924-8309 Pager: 800-426-1477 PIN 1172559
Cathy Edwards	IBM Global Services, Midwest Sector Manager - Government	Office: 248-552-5810 Pager: 800-316-6007

## Service Details

### Definition of Availability

The MMO contract defines availability as follows:

Availability is defined as the processor and the network elements from IBM Global Service's facilities to the point where it connects to MESC owned equipment, and all required peripherals, application software, system software, and data bases and files being concurrently available for use by MESC users

Pertinent discussion of the factors involved in availability of CICS, batch processing, and TSO/ISPF are in the MMO contract section 3.10 (with special reference to items 3.10 C, 3.10 D and 3.10 E)

### Operating Partition

#### Certification of Availability for the Production Partition.

IBM Global Services will provide the required production partition hardware capacity, operating system software, operating support and procedures, data access method software, and data communications circuits to the Project MMO CNT at the MESA facility in Detroit.

#### Certification of Availability for the Development Partition.

IBM Global Services will provide the required development partition hardware capacity, operating system and basic system development software, operating support and procedures, data access method software, and data communications circuits to the Project MMO CNT at the MESA facility in Detroit.

### Excusable Outages

An outage may be described as a system failure with hardware, software, applications, or operational procedures that causes disruption to the MESA service delivery or data integrity with a significant impact to service levels. Where appropriate, MESA will excuse IBM Global Services from availability outages due to application, database logical design, network front end processor or security causes.

#### Outage/Non-Outage Examples:

1. ChangeMan not started during standard TSO hours. This would be considered an outage. The reason it is an outage is because development programmers could not check out or promote code
2. T-1 cable severed. This is not an outage, because there are three T-1s. Thus, the system is still available.
3. Power failure to the processor. This is an outage if the period of the failure prevents completion of expected MESA processes during the affected availability service window
4. End user cannot access the system. Investigation of the problem establishes that improper modification of a security database caused the problem. This is not an outage because the applications and partitions are available
5. A branch office cannot access the system. Investigation of the problem establishes that the cause was a failure in the line to the branch office. While this is an outage to the branch office, it does not impact the MESA/IBM Global Services SLA because the network, outbound from the CNT, is managed by MESA.

## Service Hours

### Partition Availability and Scheduled Hours

The table below lists the scheduled hours IBM Global Services will provide processing services availability for each partition. All times are Eastern Time (ET)

<u>Partition</u>	<u>Scheduled Hours</u>
Development	
PRODCICS	6:30 a.m. - 6:30 p.m., seven days/week
AR20CICS	6:30 a.m. - 6:30 p.m., seven days/week
TESICICS	N/A
TFASTEST	N/A
TSO	6:00 a.m. - 12 midnight, seven days/week
Production	
CICS (all)	7:00 a.m. - 7:15 p.m., Monday through Friday
TSO	6:00 a.m. - 12 midnight, seven days/week
BATCH	7:15 p.m. - 7:00 a.m., seven days/week

Note: This schedule presents the hours of availability that are subject to penalties for outages that are caused by IBM Global Services. MESA executes other batch processing during production online hours. Weekend schedules vary according to workload.

With sufficient notice, IBM Global Services will start production CICS on weekends. MESA will notify IBM Global Services at the 1:00p.m. Wednesday problem/change meeting of any schedule changes for the following weekend and submit a corresponding change record as defined in the "Change Management Process Guide."

MESA and IBM Global Services will attempt to identify and preclude availability outages that heavy increases in workload may cause.

## System Maintenance Window

The System Maintenance Window is four hours. Included in this four hours are shut down and IPL times. The current schedule is every Monday, 00:00 a.m. to 04:00 a.m. ET. On a weekly basis, by mutual agreement, this maintenance window may be made available to the State based on IBM Global Services and the State's requirements.

## IBM Global Services Support Services

IBM Global Services managed operations hours will be seven days a week, twenty-four hours a day support. MESA expects to run normal production on State holidays that fall on weekdays.

The Boulder Operations Support phone number is 1-800-945-3340. Problems can be queued to operations management through the QOPS queue on Information Management.

In general, IBM Global Services responsibilities will include the following services:

- **Computer Operations:** IBM Global Services will provide computer operations support for the development partition and for the production partition. The operational support will be provided in the Boulder facility. Computer Operations include monitoring of system consoles, tape operations (including tape library and tape mounts), monitoring of the CNT connection to Detroit, and development of automated operations.
- **Systems Programming Support:** IBM Global Services will provide installation, maintenance, and support of the system software. MESA will maintain the application software.
- **Data Storage Management:** IBM Global Services will be responsible for Data Storage Management. IBM Global Services will work with the State to define the scope of this service. In general the service will include the use of Systems Managed Storage (SMS) to ensure only recently used data is resident on disk drives.
- **Database Management and Administration:** IBM Global Services will be responsible for the physical placement of databases, performance and tuning. IBM Global Services will be responsible for physical database administration for the production partition.

### Service Level Reporting

IBM Global Services will use the MESA Service Level Reporter (SLR), Service Level Graphics (SLG) and InfoMan tools to measure and track host availability and interruption. IBM Global Services will provide the following reports by the tenth working day of each month:

- Partition Availability
- Application Hour Usage
- Application DASD Usage

Designated State representatives will have access to Service Level Reporter (SLR) and Service Level Graphics (SLG).

Service levels will be tied to clear and measurable performance requirements, with associated liquidated damages for failure to obtain these established performance guarantees.

#### IV. Signature

IBM Global Services

By: Ronald E. Pfluegi  
Title: Customer Services Representative  
Date: 11/26/97

MMO Contract Administrator

By: Frank Shooltz, Director  
Title: MIPE  
Date: 12-2-97

MESA Authorized Representative

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Department of Management and Budget (Purchasing)

By: Sharon Walenz  
Title: Buyer  
Date: 1-12-98



## **CHANGE AUTHORIZATION ORDER FORM**

### **Change Authorization Order for the MMO Contract**

**Contract Number 071B6000116**

**Change Authorization Order Number 22**

#### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Agency Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and IBM Global Services dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

#### **II. Description of Change**

IBM Global Services wishes to submit for MESA's approval the following IBM Global Services Client Service Team members and their designated project roles:

A.	Vice President - Government	Jack Winters
B.	Midwestern Sector Manager	Cathy Edwards
C.	Project Executive - State of Michigan	Michael Cunningham
D.	Customer Service Representative	Ron Pflieger

IBM Global Services wishes to remove the designated project role of "Project Manager - MMO" since the Conversion and Transition project has been completed.

In addition, the following people should be designated as Key Personnel:

A.	Ron Pflieger	Customer Services Representative, IBM Global Services
B.	Robert Penn	Delivery Project Executive, Solution Center, IBM Global Services

Since the Conversion and Transition project has been completed, any other personnel designated as key personnel in the original contract or in Contract Change Notice #3 should no longer be considered key personnel.

**A. Scope**

This Change Order does not affect the scope of the MMO contract.

**B. Deliverables**

This Change Order does not affect any deliverables of the MMO contract.

**C. Costs**

There are no costs associated with this change order.

**D. Schedule**

These staffing changes will take place upon your acceptance of this Change Order.

**III. State Authorization**

Check One:

☒ This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA, the Contract Administrator, and the Purchasing Director.

☐ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* ( the "Authorizing Agency") and all amounts to be paid to IBM Global Services pursuant to this order shall be paid solely from funds available to the Authorizing Agency. IBM Global Services hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against IBM Global Services. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
OFFICE OF PURCHASING  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

December 9, 1997

CHANGE NOTICE NO. 6  
TO  
CONTRACT NO. 071B6000116  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE Bill Ruddock
IBM Global Services One Michigan Avenue Lansing, MI 48933		
NIGP #920-23		BUYER (S/T) 3/8/84 Sharon Walenga, C.P.M.
MESA Mainframe Operations Contract		
BPO PERIOD	From: October 20, 1995	To: October 19, 2005
TERMS	Net 30 Days	SHIPMENT As Required
F.O.B.	Delivered/Installed	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

**CHANGES:**

1. Contract Change Notice to incorporate Change Order Number 16 (attached) to install and configure AXIOS Products, Inc. HourGlass 2000 Software on the MMO Development LPAR. Increased amount reflects the license fee, installation, configuration testing, and maintenance for year 2.
2. This contract has been assigned in its entirety to IBM Global Services. Purchase Orders and Information should be made to Mail Code 023 and Remittances to Mail Code 024.
3. The Contract Administrator for the State has been changed to Fran Shooltz, Director, MIPC.

**AUTHORITY:**

1. Request per Contractor and agreed to per State.
2. Vendor change due to merger of ISSC's business operations and contracts with and into IBM as a new division titled IBM Global Services.

INCREASE: \$20,750.00

TOTAL ESTIMATED CONTRACT VALUE: \$69,357,003.00

## **CHANGE AUTHORIZATION ORDER FORM**

**Change Authorization Order for the MMO Contract**  
**Contract Number 071B6000116**  
**Change Authorization Order Number 16**

### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and IBM Global Services dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

### **II. Description of Change**

MESA has stated a requirement to use the AXIOS Products, Inc. HourGlass 2000 product release 33C to support file transfer activities. The purpose of this change authorization is to add HourGlass 2000 to the MESA Mainframe Operations platform in Boulder.

#### **A. Scope**

The scope of this change order includes:

1. Acquire the HourGlass 2000 product release 33C from AXIOS Products, Inc. pursuant to MESA's signature on the accompanying License Agreement For Proprietary Software Products. Install the product on the Boulder MESA MVS Development Logical Partition.
2. Assist MESA in configuring the HourGlass 2000 product to meet MESA's business environment needs.
3. Assist MESA in testing the functions of the HourGlass 2000.

4. Should MESA require a major re-work of the HourGlass 2000 configuration or the MMO platform to accommodate it, IBM will address the new requirements through a separate Change Order.

#### **B. Deliverables**

The following deliverables will be prepared as a part of this change authorization:

1. License Agreement For Proprietary Software Products, HourGlass 2000 product release 33C on the MMO platform.
2. Certification of Availability of HourGlass 2000 on the MMO platform.

#### **C. Costs**

MESA will be responsible for all additional CPU and DASD usage associated with the AXIOS Products, Inc. HourGlass 2000 product. The related costs will be in the MESA Monthly Usage Invoice.

MESA will be responsible for HourGlass 2000 product Support and Maintenance as denoted in the accompanying License Agreement For Proprietary Software Products.

<u>Description</u>	<u>Cost</u>
AXIOS Products, Inc. HourGlass 2000 product release 33C	\$12,900.00
Administrative Processing Fee	+ 7%
	\$13,870.00
Installation, Configuration, and Testing (50 hours @ \$96.00 per hour)	\$ 4,800.00
<b>Total</b>	<b>\$18,670.00</b>

The first year of maintenance is included in the License Agreement For Proprietary Software Products price. Subsequent years are available for an annual charge. Maintenance in the second year will be:

Maintenance	\$ 1,935.00
Administrative Processing Fee	+ 7%
	\$ 2,080.00 Per Year

MESA will be billed the initial software and installation costs totaling \$18,670.00 on December 10th, along with the normal monthly billing process.

#### **D. MESA Responsibilities**

MESA will execute the attached AXIOS Products, Inc. HourGlass 2000 product License Agreement For Proprietary Software Products.

MESA will test the installed software and report any problems or installation requirement using Info/Man.

MESA will define and create the appropriate security environment and security authorizations to allow the software to be installed and operate properly.

MESA is responsible for any CPU, DASD, Tape usage or charges that result from the execution of this software.

MESA is responsible for any results achieved using this software.

MESA shall be responsible for obtaining and providing to IBM Global Services the required consent to utilize HourGlass 2000, and MESA shall bear the costs, if any, of obtaining the required consent.

### **III. State Authorization**

Check One:

☒ **This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA, the Contract Administrator, and the Purchasing Director.**

☐ **This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* (the "Authorizing Agency") and all amounts to be paid to IBM Global Services pursuant to this order shall be paid solely from funds available to the Authorizing Agency. IBM Global Services hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against IBM Global Services. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.**

### **IV. Attachments**

**License Agreement For Proprietary Software Products.**

**V. Signature**

**IBM Global Services**

By: Ronald E. Pflieger  
Title: Customer Services Representative  
Date: \_\_\_\_\_

**MMO Contract Administrator**

By: Frank Smith  
Title: Director, MDC  
Date: 11-25-97

**MESA Authorized Representative**

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

**Department of Management and Budget (Purchasing)**

By: Sharon Walenzy  
Title: Buyer  
Date: December 9, 1997



# AXIOS PRODUCTS, INC.

1373-10 Veterans Highway, Hauppauge, New York 11788-4836 • (516) 979-0100

## LICENSE AGREEMENT FOR PROPRIETARY SOFTWARE PRODUCTS

1. **LICENSE.** In accordance with the terms of this Agreement, Axios Products, Inc. grants to Customer and Customer accepts from Axios Products, Inc. a non-exclusive license to use the HourGlass 2000 computer programs developed and owned by Mainware, Inc., in machine-readable form, and related user manuals, hereinafter collectively referred to as "Product", to operate on only the following in accordance with the provisions set forth herein.

### DESIGNATED EQUIPMENT

Model Type : 9672

Model : R53

Serial ID# : 42958

2. **TERM.** This License Agreement shall be for a perpetual duration from the date it is signed by Axios Products, Inc. unless terminated by Customer.
3. **FEE.** License fee of \$12,900.00 for 1 CPU(s) is payable once in U.S. dollars upon execution of this License Agreement by Customer. A late payment service charge of 1-1/2 % (one and one-half percent) per month (full or partial) will be assessed on invoices or portions thereof, not paid within 30 (thirty) days of the date thereof.
4. **MAINTENANCE.** This license agreement includes maintenance of the Software Product for the first year at no additional charge. Subsequent years of maintenance are available for an annual charge. Maintenance in the second year shall be \$1,935.00. Maintenance includes: all new releases of the applicable installed Product during each 12-month period of service, off-site support, Program Temporary Fixes (PTFs) as applicable, technical documentation including Product documentation update service for the original manuals and Information Bulletins.

*Additional Terms and Conditions on Reverse Side.*

AXIOS PRODUCTS, INC.

\_\_\_\_\_  
Authorized Signature

\_\_\_\_\_  
Name

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date

MESA  
(Fran Sheeltz - DMB)  
Customer

Fran Sheeltz  
Authorized Signature

Fran Sheeltz  
Name

Director of MIPC  
Title

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
OFFICE OF PURCHASING  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

September 3, 1997

CHANGE NOTICE NO. 5  
TO  
CONTRACT AGREEMENT NO. 071B6000116  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE Roger Downing (517) 377-3981
Integrated Systems Solutions Corporation (ISSC) One Michigan Avenue, P.O. Box 30116 Lansing, MI 48909		 Christine Paul <i>[Signature]</i>
NIGP #920-23		
MESA Mainframe Operations Contract		
BPO PERIOD		From: October 20, 1995 To: October 19, 2005
TERMS	Net 30 Days	SHIPMENT As Required
F O B.	Delivered/Installed	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

**CHANGE:**

Effective immediately, the attached Change Authorization is hereby incorporated into this contract.

**AUTHORITY:**

Agency request per Sheila Murff, MESA. Per letter dated 8/1/97 from vendor.

INCREASE: \$50,000.00

TOTAL ESTIMATED CONTRACT VALUE: \$69,336,253.00

## **CHANGE AUTHORIZATION ORDER FORM**

### **Change Authorization Order for the MMO Contract**

**Contract Number 071B6000116**

**Change Authorization Order Number 11**

#### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and Integrated Systems Solutions Corporation ("ISSC") dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

#### **II. Description of Change**

This is a new payment deliverable to the MMO contract to provide a method for MESA to obtain and schedule standard IBM education for MESA employees using the ISSC administration function for the MMO contract.

##### **A. Scope**

- ISSC will schedule MESA personnel into specific standard IBM classes requested in writing by MESA referencing this Change Order
- ISSC will pay for the classes on behalf of MESA
- ISSC will bill MESA for the classes in the same amount as the cost of the class
- MESA agrees to pay ISSC in accordance with standard contract procedures.

##### **B. Costs**

The maximum dollar amount of the education to be scheduled under this Change Order is \$50,000.00.

### III. State Authorization

Check One:

X This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA, the Contract Administrator, and the Purchasing Director.

\_\_\_\_ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* ( the "Authorizing Agency") and all amounts to be paid to ISSC pursuant to this order shall be paid solely from funds available to the Authorizing Agency. ISSC hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against ISSC. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

Integrated Systems Solutions Corporation

By: Ronald E. R. [Signature]  
Title: Customer Service Representative  
Date: 8/1/97

Michigan Employment Security Commission

By: [Signature]  
Title: \_\_\_\_\_  
Date: 8/7/97

Contract Administrator

By: [Signature]  
Title: \_\_\_\_\_  
Date: 4 August 97

Department of Management and Budget (Purchasing)

By: [Signature]  
Title: Director, Tech Acq Div.  
Date: 8/2/97

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
OFFICE OF PURCHASING  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

July 28, 1997

**CHANGE NOTICE NO. 4 - REVISED**

**TO**

**CONTRACT AGREEMENT NO. 071B6000116**

**between**

**THE STATE OF MICHIGAN**

**and**

NAME & ADDRESS OF VENDOR		TELEPHONE Roger Downing (517) 377-2881
Integrated Systems Solutions Corporation (ISSC) One Michigan Avenue, P.O. Box 30116 Lansing, MI 48909		 Christine Paul <i>Paul</i>
NIGP #920-23		
MESA Mainframe Operations Contract		
BPO PERIOD		From: October 20, 1995 To: October 19, 2005
TERMS	Net 30 Days	SHIPMENT As Required
F.O.B.	Delivered/Installed	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

**CHANGE:**

Effective immediately, the attached modifications identified as Change Authorization Order Number 7 are hereby incorporated into this contract.

(Incorrect Change Authorization Order listed on original Change Notice No. 4.)

**AUTHORITY:**

Request from agency; vendor letter.

**TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$69,286,253.00**



ISSC - Government  
c/o MESA, 7th Floor  
7310 Woodward Avenue  
Detroit, MI 48202

July 18, 1997

Ms. Christine Paul  
State of Michigan  
Department of Management and Budget  
Office of Purchasing  
530 W. Allegan  
Lansing, Michigan 48933

1997 JUL 23 A 0 30

Dear Ms. Paul,

Please acknowledge that the attached Change Notice #4 should represent Change Authorization Order #7 in lieu of Change Authorization Order #5.

I regret any difficulties that we may have caused with this order discrepancy. If you should have any questions, please feel free to call me at 313-876-5616.

Sincerely,

Ronald E. Pflieger  
Customer Service Representative

/dmh

Attachment

cc: Mr. M. P. Cunningham  
Ms. C. M. Edwards  
Ms. D. Patterson

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
OFFICE OF PURCHASING  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

June 18, 1997

CHANGE NOTICE NO. 4  
TO  
CONTRACT AGREEMENT NO. 071B6000116  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE Roger Downing
Integrated Systems Solutions Corporation (ISSC) One Michigan Avenue, P.O. Box 30116 Lansing, MI 48909		 BUYER (517) 335-0462 Christine Paul
NIGP #920-23		
MESA Mainframe Operations Contract		
BPO PERIOD		From: October 20, 1995 To: October 19, 2005
TERMS	Net 30 Days	SHIPMENT As Required
F.O.B.	Delivered/Installed	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

CHANGE:

Effective immediately, the attached modifications identified as Change Authorization Order Number 5 are hereby incorporated into this contract.

AUTHORITY:

Request from agency; vendor letter.

TOTAL ESTIMATED CONTRACT VALUE REMAINS: \$69,286,253.00



ISSC - Government  
Seventh Floor  
7310 Woodward Ave  
Detroit, MI 48202  
313-876-6738

May 12, 1997

Ms. Violetta Ogilvy  
Michigan Employment Security Commission  
State of Michigan  
5th Floor  
7310 Woodward Avenue  
Detroit, MI 48202

Dear Ms Ogilvy,

We are pleased to present the following change to the State of Michigan MMO contract for your consideration and approval. Although the order presents no cost to MESA, we believe it offers significant value to our partnership on the MESA Mainframe Operations contract.

We have completed the automation processes for conversion of the MESA VSE applications. Bob Crail's role on the project was to execute the automation tool to convert the application components. Under normal circumstances, he would leave at this time. However, Mr. Crail has been a valuable resource in support of the conversion effort outside the automated conversion tool.

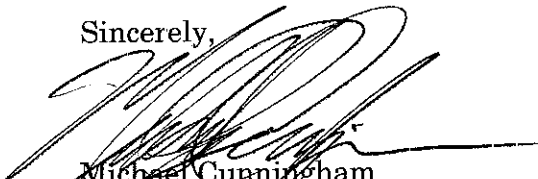
With your approval, we will retain Mr. Crail on the project through the transition, as a no-cost service to MESA.

Attached is Change Order Number 5.

This Change Order is open for acceptance until May 23, 1997.

Please do not hesitate to contact me if you have any questions or concerns.

Sincerely,



Michael Cunningham  
Project Manager MMO

cc: Deb Patterson

1997 MAY 21 A 10:30



## **CHANGE AUTHORIZATION ORDER FORM**

### **Change Authorization Order for the MMO Contract**

**Contract Number 071B6000116**

**Change Authorization Order Number 4**

#### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and Integrated Systems Solutions Corporation ("ISSC") dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

#### **II. Description of Change**

Description of Service:

##### **A. Scope**

Systems consulting services to assist in problem determination and resolution for the converted VSE applications.

##### **B. Deliverables**

Not applicable.

**C. Costs**

IBM Global Services will invoice MESA at the analyst hourly rate of \$96.00 per hour, as defined in Schedule B-9 (Contract Hourly Rates).

(2 personnel) \* (\$96/hour) \* (up to 50 hours/week) \* 13 weeks =  
up to \$124,800.00

**D. Schedule**

These personnel will be available from June 1, 1997, through August 29, 1997.

### III. State Authorization

Check One:

X This order shall be performed for the benefit of the Michigan Employment Security Agency (the "MESA") and is not valid until signed by an authorized representative of the MESA, the Contract Administrator, and the Purchasing Director.

\_\_\_\_ This order shall be performed for the benefit of \*\*\*\*\* AGENCY NAME GOES HERE \*\*\*\*\* ( the "Authorizing Agency") and all amounts to be paid to ISSC pursuant to this order shall be paid solely from funds available to the Authorizing Agency. ISSC hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against ISSC. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

Integrated Systems Solutions Corporation

By: [Signature]  
Title: Project Manager  
Date: 5/13/97

Michigan Employment Security Commission <sup>Agency</sup>

By: [Signature]  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Contract Administrator

By: [Signature]  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

Department of Management and Budget (Purchasing)

By: [Signature]  
Title: Director, Tech Acquisitions  
Date: 6/23/97

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
OFFICE OF PURCHASING  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

March 27, 1997

CHANGE NOTICE NO. 3  
TO  
CONTRACT AGREEMENT NO. 071B6000116  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE Roger Downing
Integrated Systems Solutions Corporation (ISSC) One Michigan Avenue, P.O. Box 30116 Lansing, MI 48909		 BUYER (517) 333-0400 Christine Paul <i>[Signature]</i>
NIGP #920-23		
MESA Mainframe Operations Contract		
BPO PERIOD From: October 20, 1995 To: October 19, 2005		
TERMS	Net 30 Days	SHIPMENT As Required
F.O.B.	Delivered/Installed	SHIPPED FROM N/A
MINIMUM DELIVERY REQUIREMENTS N/A		

Contract for the Provision of Mainframe Operations and Support for the Michigan Employment Security Agency (MESA) in accordance with the attached Work Statement, Terms and Conditions and Cost Model.

**CHANGE:** Effective immediately, the attached modifications and/or additions identified as Change Authorization #3, effective 3/21/97, are hereby incorporated into this contract. Pursuant to Executive Order 1995-8, effective 12/3/96, the Michigan Employment Security Commission (MESC) has been renamed the Michigan Employment Security Agency (MESA).

**AUTHORITY:** As per approvals indicated in attachment.

**TOTAL ESTIMATED CONTRACT VALUE REMAINS:** \$69,286,253.00

**Contract No. 071B60000116**

**Change Notice No. 3 to the  
Michigan Employment Security Agency (MESA)  
(formerly Michigan Employment Security Commission)  
Mainframe Operations (MMO) Contract**

**Dated October 18, 1995**

**Between**

**The State of Michigan  
Department of Management and Budget**

**and**

**Integrated Systems Solutions Corporation**

**\*\*\*\*\***

**As of March 21, 1997**

### Change Notice No. 3

Change Notice No. 3 amends the Michigan Employment Security Commission (MESC) Mainframe Operations (MMO) Contract dated October 18, 1995 as amended by Change Notices 1 and 2 ("Contract") between the State of Michigan, Department of Management and Budget, ("State") and Integrated Systems Solutions Corporation ("ISSC").

Any capitalized terms used but not defined in this Change Notice No. 3 shall have the meanings given to them in the Contract.

### INTRODUCTION

Pursuant to Executive Order 1995-8, effective December 3, 1996, the Michigan Employment Security Commission (MESC) has been renamed as the Michigan Employment Security Agency (MESA) and transferred as an autonomous entity in the Michigan Department of Jobs Commission. The Parties agree that hereafter all Contract references applying to the MESC will apply fully to the MESA and that MESA, as attested by their signature on this Change Notice No. 3, intends and agrees to accept an active role in Contract management and will hereafter be considered a third party beneficiary of this Contract.

Effective with the date of this Contract Amendment, the State wishes to designate a new Contract Administrator and realign certain reporting relationships.

ISSC wishes to reassign certain members of its project team and realign certain reporting relationships, and the State agrees to such reassignments and realignment.

The Parties agree that the State (including MESA and the Department of Management and Budget) and ISSC have worked professionally in good faith to achieve all originally planned objectives and dates.

The Parties agree that the existing operating environment and the ensuing Contract work is more complex than originally thought and has required more effort and time to complete than originally planned, resulting in a final Transition Date approximately one year beyond the initial plan, which requires that Defined Milestones be adjusted.

The Parties agree that no single party is at fault for the delays and that no prejudice exists between the Parties.

The Parties agree that there are no claims for lost efforts or damages pending as of the Effective Date of this Change Notice No. 3 and, for the consideration set forth herein, agree that they are waiving, settling and releasing all claims, known or unknown, asserted or unasserted, direct or indirect, that each may have against the other, arising from or resulting under the Contract, to the extent that any event giving rise to such claim(s) occurred or otherwise existed prior to February 1, 1997 and the Effective Date of this Change Notice No. 3, upon the signing and issuance of this

Change Notice No. 3. These claims include, but are not limited to, work performed outside of the scope of the Contract, changed work or additional work not previously approved, delayed work, or work performed that is no longer required by the State.

The Parties desire to continue working together to achieve full Contract completion and a mutual success and the Parties hereby reaffirm their responsibility to work together effectively to achieve all Contract objectives.

The Parties recognize and agree on the critical nature of achieving the Transition Dates, set forth as Defined Milestones in the Amended and Restated Defined Milestone Schedule, and further delineated in the Amended and Restated Project Plan dated December 9, 1996 which is attached and incorporated by reference in this Contract Change Notice No. 3, except that the Transition Date for Phase 1 is revised to March 10, 1997 (live in Boulder), and further agree that a Two-Phased Transition is in the best interests of all Parties.

The Parties have jointly developed and agree to the Amended and Restated Project Plan dated December 9, 1996 that delineates all needed activities and realistic and achievable completion dates for a Two-Phased Transition which includes the Current MVS Environment and the Current Development Environments in "Transition Phase 1" and the Current VSE Environment in "Transition Phase 2."

MESA has established a detailed Test Plan which complements and is consistent with the Amended and Restated Project Plan dated December 9, 1996 and which MESA intends to utilize as a project planning and tracking tool and which MESA intends to maintain and distribute on, minimally, a weekly basis.

The Parties believe it is practical and realistic and have agreed to and are fully committed to providing whatever resources are needed to complete their assignments as reflected in the Amended and Restated Project Plan dated December 9, 1996 on, or before, the dates set forth in that Project Plan;

The Parties agree that the dates established in this Change Notice No. 3 are based on the Conversion Inventory as defined on December 9, 1996 attached to this Change Notice No. 3 as Exhibit 5, and further agree that a request to add additional inventory of any substantive nature after that date represents a potential increase in the scope of work which will be addressed by the processing of a timely Change Notice

A quality assurance vendor, as defined by the State, has been engaged by the State as the Project Monitor and all Parties agree to cooperate fully and candidly with vendor personnel in their role as Project Monitor.

The Parties wish to update and conform the Contract to reflect the impact of time and additional work effort

NOW, THEREFORE, in consideration for the above premises and the mutual covenants and undertakings of the Parties contained herein, the Parties agree that the existing Contract is hereby amended as follows:

1. Section 2 - Contract Terms, Conditions and Provisions (Dispute Resolution Process) as presented in Section 2, Paragraph 11 of the original Contract is hereby replaced in its entirety with the new version attached to this Change Notice No. 3 as Exhibit 4 and labeled as "Amended and Restated as of March 21, 1997." The Parties agree to immediately begin using the Dispute Resolution Process, attached to this Change Notice No. 3 as Exhibit 4 and labeled as "Amended and Restated as of March 21, 1997," and to strictly follow the amended process for the resolution of all disputes which cannot be resolved at the lowest levels of project management. The Parties agree that the Dispute Resolution Process may be further amended in writing by mutual agreement of the Parties
2. Section 2 - Contract Terms, Conditions and Provisions, Paragraph 17 (Invoicing and Payment) is hereby replaced in its entirety to reflect the affects of the Two-Phased Transition with the new version attached to this Change Notice No. 3 as Exhibit 1 and labeled as "Amended and Restated as of March 21, 1997."
3. Schedule A (Key Personnel) is hereby replaced in its entirety with the new version attached to this Change Notice No. 3 as Exhibit 2 and labeled as "Amended and Restated as of March 21, 1997."
4. Schedule B-1 (CPU-Prime Usage Pricing Schedule) is hereby replaced in its entirety with the new version attached as Exhibit 2 and labeled as "Amended and Restated as of March 21, 1997" so as to reflect a change in the scheduled date for the final Transition
5. Schedule B-2 (CPU-Non Prime Usage Pricing Schedule) is hereby replaced in its entirety with the new version attached to this Change Notice No. 3 as Exhibit 2 and labeled as "Amended and Restated as of March 21, 1997" so as to reflect a change in the scheduled date for the final Transition
6. Schedule B-3 (DASD Usage Pricing Schedule) is hereby replaced in its entirety with the new version attached to this Change Notice No. 3 as Exhibit 2 and labeled as "Amended and Restated as of March 21, 1997" so as to reflect a change in the scheduled date for the final Transition.
7. Schedule B-4 (Tape Usage Pricing Schedule) is hereby replaced in its entirety with the new version attached to this Change Notice No. 3 as Exhibit 2 and labeled as "Amended and Restated as of March 21, 1997" so as to reflect a change in the scheduled date for the final Transition.
8. Schedule B-11 (Two-Phased Transition Pricing Schedule) is hereby added and attached to this Change Notice No. 3 as Exhibit 2 and labeled as "Effective as of March 21, 1997" so as to reflect a change in the scheduled date for the final Transition.



- 9 Schedule C (Defined Milestones) is hereby replaced in its entirety with the new version attached to this Change Notice No. 3 as Exhibit 2 and labeled as "Amended and Restated as of March 21, 1997 "
- 10 Schedule E (Named System Software and Utilities) is hereby added as attached to this Change Notice No. 3 as Exhibit 2 and labeled as "Effective as March 21, 1997" to summarize and document agreed on changes in Systems Software to be provided by ISSC under this Agreement.
- 11 Section 3.6.K.5 (Security Software) (Page 3-157 through 3-158) is hereby amended to delete the requirement for DASD security seals and notification of the MESA Security Officer before removal of the security seals. Further, the last three paragraphs starting with "In addition, ISSC is prepared. . . ." and ending with ". . . Data Center Operations Procedures Manual and security procedures " are hereby deleted.
- 12 Appendix A (Technical Assumptions) Item 3 (Page A-1) is hereby replaced in its entirety with the following paragraph: "The Current MVS Environment and the Current Development Environments will be transitioned to ISSC's processing facility in Boulder, CO. in Transition Phase 1 as defined in Appendix B - Project Plan as Amended and Restated as of December 9, 1996, except that the Parties mutually agree to revised the Phase 1 Transition Date to March 10, 1997 (live in Boulder). The Current VSE Environment will be transitioned to Boulder, CO. as Transition Phase 2 as defined in Appendix B - Project Plan as Amended and Restated as of December 9, 1996. It is the intent of MESA that, after Transition Phase 1, all MESA application development activity will occur using the MVS Development Environment. Based on this intention, MESA will freeze the VSE source code upon completion of Transition Phase 1. In the event that MESA determines it necessary to continue or perform any development activities on the Current VSE Environment (e.g., to reflect changes in law or for emergency fixes), MESA will be responsible for identifying, applying and testing any such changes (that may be needed to keep MESA applications running properly) to the MVS Production Environment and/or the MVS Development Environment." The Parties hereby agree that in the event that MESA makes any change in the VSE environment and subsequently requires ISSC to process the changed inventory through the Conversion process, then ISSC, based on the volume and complexity of such changes, may be entitled to charge MESA for such services. In the event MESA requests such Conversion assistance, MESA shall initiate a Contract Change Request. The Parties agree to mutually determine and agree to the change complexity, impact on the Project Plan, timing and cost for such services. ISSC agrees that in the event that the requested Conversion effort does not significantly impact the Conversion work effort or negatively impact any Defined Milestones, then the requested Conversion work will be completed without any additional charge to MESA. ISSC further agrees that in the event that it determines that charges should be applicable to such requested Conversion work, ISSC will limit the charges to the lesser of actual additional costs incurred in processing the additional inventory or the applicable Contract Hourly Rates set forth in Schedule B-9. MESA agrees that if the Conversion work does significantly impact the Conversion work effort or does negatively

impact a Defined Milestone, then MESA will agree to pay ISSC for such additional services as agreed to on an appropriately executed Contract Change Request.

13. Appendix B - Project Plan, is hereby replaced in its entirety with the new version dated December 9, 1996 and attached to this Change Notice No. 3 as Exhibit 3 and labeled as "Amended and Restated as of December 9, 1996."
14. The State hereby assigns Ms. Violetta Ogilvy as the State Contract Administrator and Ms. Violetta Ogilvy as the MESA Authorizing Agent. Ms. Debra Patterson is assigned as the MESA Project Manager for the Conversion and Transition Project.
15. The Parties agree that the Contract shall be performed for the benefit of the MESA (the "Authorizing Agency") and all amounts to be paid to ISSC pursuant to the Contract shall be paid solely from funds available to the Authorizing Agency. ISSC and the Department of Management and Budget hereby acknowledge that the Authorizing Agency is a Party to the Contract and shall have the right to enforce the terms and conditions of the Contract in its own name directly against ISSC. This Change Notice No. 3 is not valid until signed by authorized representatives of ISSC, the Authorizing Agency, the State Contract Administrator, and the State Purchasing Director or authorized designee.

This Change Notice No. 3 does not require any increase in the Authorized Contract Maximum Amount of \$68,736,193.

16. As part of the resolution of issues as of the Effective Date of this Change Notice No. 3, MESA acknowledges and confirms that it has accepted full and ultimate responsibility for post conversion testing, debugging and problem resolution. ISSC agrees to cooperate fully with MESA in the fulfillment of MESA's responsibilities. ISSC further agrees to provide the requisite level of support for debugging and problem resolution when MESA identifies that a problem was likely caused by an error in the conversion process which should be corrected in the conversion process; requires the support of ISSC to understand how certain aspects of the conversion process impact the identified problem; or, requires assistance in identifying and implementing the best approach for resolving errors in the converted inventory.
17. The Parties agree that all references in the Contract to Conversion and Transition dates are Amended and Restated as defined in this Change Notice No. 3.
18. The Parties agree that all dates and tasks established in the Project Plan dated December 9, 1996 and attached to this Change Notice No. 3 as Exhibit 3 are reasonable and achievable, except that the Parties further mutually agree to add Transition Test #3 to Phase 2, and to revise the Defined Milestone Date for successful completion of Transition Phase 1 (live in Boulder) to March 10, 1997. Further, the Parties agree that all dates designated as Defined Milestones in the Defined Milestone Schedule (Schedule C) are critical to the success of the MMO project and that the Parties will willingly and proactively monitor project progress and agree to assign whatever resources are necessary to insure the timely completion of all tasks associated with the Defined Milestones.

- 19 The Parties acknowledge and agree to accept the following Conditions for Transition. Transition will be completed only after these conditions have been satisfactorily achieved. MESA reserves the right, and ISSC accepts MESA's right, to modify these Conditions for Transition with the advice and mutual agreement of ISSC. No workload will be Transitioned to Boulder until MESA is fully satisfied that the following Conditions have been met and confirms their acceptance of such in writing to the Project Monitor and ISSC. MESA agrees to cooperate fully to complete these activities and further agrees not to unreasonably withhold approval:
- a) The Current MVS Environment will be split and loaded into separate production and development LPARs. Each of the LPARs must be fully tested and accepted by MESA.
  - b) A minimum of two complete network tests will be executed before each of the Phase 1 and Phase 2 Transitions. The final test before each Transition must be devoid of any major failures. The Parties may mutually agree to Transition with minor failures which both Parties agree can readily be resolved either before or immediately after the Transition.
  - c) The IBM System Display and Search Facility (SDSF) product, or an alternative solution, will be loaded, configured, tested and accepted by MESA. This product will be deemed accepted when MESA agrees that the proposed product is an appropriate solution that fully meets the identified security requirements.
  - d) All named and agreed upon systems software and utility products will be loaded, configured, tested and accepted by MESA.
  - e) All promised and mutually agreed upon training will be completed.
  - f) The MVS Development Environment will be fully functional and will meet all identified MESA requirements. The MVS Development Environment Requirements are attached to this Change Notice No. 3 as Exhibit 6 and labeled as "Effective as of March 21, 1997." The Parties agree that these requirements may be modified upon mutual agreement.
  - g) All MESA security requirements will be met, completely verified and specifically certified as acceptable by MESA. The Security Requirements are attached to this Change Notice No. 3 as Exhibit 7 and labeled as "Effective as of March 21, 1997." The Parties agree that these requirements may be modified upon mutual agreement.
  - h) MESA will supply the final JCL inventory on the Friday before Transition Phase 1, and the final program inventory at the same time. After delivery of the final

JCL and program inventory, MESA will either freeze or track maintenance of all JCL and source code

20. The Parties agree to a methodology for measurement of baseline service levels which will be used for establishing service level agreements as specified in the Contract. The agreed upon Service Level Management Document (Exhibit 9) specifies the approach which will be used for conducting the performance measurement period. Further, the Parties have agreed that current VSE TMON statistics will be used to establish the baseline for production system response times.
21. The Parties agree to work together to determine and achieve a mutually agreed upon method of reporting and verifying CPU-Prime, CPU-Non Prime, DASD and Tape Usage statistics
22. The Parties agree that from the Effective Date of this Change Notice No. 3 through successful completion of Transition Phase 2, there is substantial benefit for the Parties to meet in a weekly management forum specifically for the purpose of project progress review and issue identification and resolution. ISSC agrees to provide an updated Project Plan prior to, or at each weekly meeting. MESA agrees to provide an updated report on the MESA Test Plan prior to, or at, each weekly meeting. The Parties agree to work cooperatively to mutually identify and present project progress and any identified issue. Further, the Parties agree to work cooperatively together to develop a mutually acceptable resolution of any identified issue. The Parties may mutually agree to revise the frequency of the management meetings after Transition Phase 1 has been successfully completed.
23. MESA agrees to begin payment for Computing Capacity Usage Charges beginning immediately after successful completion of Transition Phase 1 with respect to the Current MVS Environment and the Current Development Environments. In recognition of MESA's payment of Computing Capacity Usage Charges and ISSC's use of certain portions of that capacity for Conversion activities, ISSC agrees to issue MESA a Service Credit for Capacity Usage related to Conversion activities from March 10, 1997, or such other date as Transition Phase 1 occurs, through June 22, 1997, or such other earlier date, if applicable, as Transition Phase 2 occurs. ISSC will issue a \$21,000 monthly Service Credit, or a pro-rated (based on the number of business days in the specific month) portion thereof, as defined in Schedule B-11 (Two-Phased Transition Pricing Schedule).
24. MESA agrees that ISSC has provided MESA with four (4) Transition testing support personnel from July 15, 1996 through December 31, 1996, and upon execution of this Change Notice No. 3, MESA agrees to immediately pay ISSC for these four (4) Transition testing support personnel for the period from July 15, 1996 through December 31, 1996 at the rates defined in Schedule B-11 (Two-Phased Transition Pricing Schedule). Further, ISSC agrees to continue to provide MESA four (4) Transition testing support personnel from January 1, 1997 through May 31, 1997, and one (1) Transition testing support person from June 1, 1997 through July 11, 1997 (or three weeks after the successful completion of Transition Phase 2 with respect to the Current VSE Environment). MESA agrees to pay ISSC, on a monthly basis, the rates defined in

Schedule B-11 (Two-Phased Transition Pricing Schedule) for these Transition testing support personnel, and for any additional Transition testing support personnel which MESA may ask ISSC to provide. MESA further agrees not to reduce the quantity of such Transition testing support personnel below the numbers defined in this Change Notice No. 3 from July 15, 1996 through July 11, 1997, except, and unless, the work of the assigned staff is deemed to be unprofessional. The assignments of these Transition testing support personnel will be based on the Project Plan and as approved by the MESA Authorizing Agent or Project Manager, or their authorized representative(s).

25. In the event that MESA requests ISSC to provide additional Transition testing support personnel, or to extend the dates beyond those established in the Project Plan dated December 9, 1996, MESA agrees to pay ISSC the hourly rates defined in Schedule B-9 (Contract Hourly Rates) for such additional Transition testing support personnel.
26. Based on the formula specified in Appendix B to the Contract (Pages B-23 and B-24), MESA agrees to pay ISSC, immediately upon execution of this Change Notice No. 3, the amount of \$15,440 for every group of 200 job steps (or for any portion thereof) greater than the initial 1,500 job step conversion threshold as provided for in the Contract. The initial payment for such incremental job steps will be based on an audit of job steps as of December 9, 1996 and attached to this Change Notice No. 3, Exhibit 5. MESA further agrees to pay ISSC the amount of \$15,440 for every group of 200 job steps (or for any portion thereof) greater than the total of the initial 1,500 job step conversion threshold, as provided for in the Contract, plus the number of job steps payable pursuant to the December 9, 1996 audit. This second payment will be based on an actual audit of job steps as of the completion of Transition Phase 2.
27. ISSC has designated, and MESA has approved, the following ISSC Client Service Team members and their designated project roles:

- |    |                                       |                    |
|----|---------------------------------------|--------------------|
| a) | Vice President - Government           | Jack Winters       |
| b) | Midwestern Sector Manager             | Cathy Edwards      |
| c) | Project Executive - State of Michigan | To Be Named        |
| d) | Project Manager - MMO                 | Michael Cunningham |
| e) | Customer Service Representative       | Ron Pflieger       |

28. Definitions

The following Definitions are hereby provided as additions to those already defined in the MMO Contract (071B60000116). Any capitalized terms used but not defined in this Change Notice No. 3 shall have the meanings given to them in the MMO Contract.

- a) "Amended and Restated" shall mean that the noted section, page, paragraph, Schedule, Exhibit or other such category of materials which shall be considered as a full and complete replacement for any previous version of the materials.

- b) "Authorizing Agency" shall mean MESA, the Agency that will benefit directly from this Contract and which shall pay all amounts owed for Products and Services delivered to the Agency pursuant to this Contract. The Authorizing Agency shall have the right to enforce the Terms and Conditions of the Contract in its own name directly against ISSC.
- c) "Authorizing Agent" shall mean the person MESA designates as being primarily responsible for managing all aspects of the Contract as it relates to the delivery of Products and Services to, or for the benefit of, MESA
- d) "Conditions" shall mean the criteria specified in this Change Notice No 3 for approval to complete Transition.
- e) "Current Development Environments" shall mean all MESA application design, development and maintenance: programs; procedures; files; databases; job control statements; processing environments; and, all other related data, materials and/or processes which exist prior to Transition and which run under the VSE, VM and MVS operating systems operating on an MESA computer in MESA's Detroit data center
- f) "Current MVS Environment" shall mean all MESA production and application design, development and maintenance: programs; procedures; files; databases; job control statements; processing environments; and, all other related data, materials and/or processes which exist prior to Transition and which run under the MVS/ESA operating system operating on an MESA computer in MESA's Detroit data center
- g) "Current VSE Environment" shall mean all MESA production and application design, development and maintenance: programs; procedures; files; databases; job control statements; processing environments; and, all other related data, materials and/or processes which exist prior to Transition and which run on an MESA computer in MESA's Detroit data center.
- h) "Effective Date" shall mean the effective date of Change Notice No 3, which is the date this Change Notice is issued by the Office of Purchasing, Department of Management and Budget, retroactive to February 1, 1997.
- i) "MVS Development Environment" shall mean the Environment in Boulder, CO which houses and processes the MESA application design, development and maintenance: programs; procedures; files; databases; job control statements; processing environments; and, all other related data, materials and/or processes.
- j) "MVS Production Environment" shall mean the Environment in Boulder, CO which houses and processes the MESA production applications:

programs; procedures; files; databases; job control statements; processing environments; and, all other related data, materials and/or processes.

- k) "Project Manager" shall mean the person MESA designates as being primarily responsible for managing all aspects of the Conversion and Transition Project as it relates to the delivery of Products and Services to, or for the benefit of, MESA.
- l) "Project Monitor" shall mean a quality assurance vendor as defined by the State. The Project Monitor shall provide the State with project management and quality assurance advice and oversight, including monthly discussion reports to the State describing progress, performance and risk, and providing recommendations directed at achieving the State's objectives. The Project Monitor shall also assist in facilitating the resolution of any dispute between the Parties to the MMO Contract.
- m) "State Contract Administrator," sometimes referred to as the CA, shall mean the person the State Department of Management and Budget designates as being primarily responsible for managing all aspects of the Contract as it relates to the delivery of Products and Services to, or for the benefit of, MESA.
- n) "Test Plan" shall mean the set of documents developed and maintained by MESA that contain all of the elements of application and utility code and systems which will be tested, the sequence of such testing and the progress of such testing.
- o) "Transition Date" shall mean, with respect to both Transition Phase 1 and Transition Phase 2, the date MESA computer processing is transferred from the MESA Data Center in Detroit to ISSC's computer processing facilities in Boulder, Colorado.
- p) "Transition Phase 1" shall mean the Transition of the Current MVS Environment and the Current Development Environment to their respective Environment at the ISSC Boulder, CO data center.
- q) "Transition Phase 2" shall mean the Transition of the converted Current VSE Environment to the MVS Production Environment at the ISSC Boulder, CO data center.
- r) "Two-Phased Transition" shall mean the approach as adopted in this Amendment and which includes both Transition Phase 1 and Transition Phase 2 activities.

Except as modified by this Change Notice No. 3, all terms and conditions of the Contract shall remain in full force and effect.



IN WITNESS WHEREOF the Parties have caused their duly authorized representatives to execute this Change Notice No. 3 on the date shown below:

State of Michigan - Department of Management and Budget

By:

Name:

Title:

Date:

Joseph D. Chin Jr.  
JOSEPH D. CHIN, JR.  
DIRECTOR, TECHNICAL ACQUISITION DIVISION  
March 26, 1997

ISSC

By:

Name:

Title:

Date:

Catherine Edwards  
Catherine Edwards  
Midwestern Sector Manager  
March 21, 1997

State of Michigan - (Authorizing Agency) Michigan Employment Security Agency

By:

Name:

Title:

Date:

Thomas S. Malek  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
OFFICE OF PURCHASING  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933**

October 23, 1996

**CHANGE NOTICE NO. 2  
TO  
BLANKET PURCHASE ORDER NO. 071B6000116  
between  
THE STATE OF MICHIGAN  
and**

NAME & ADDRESS OF VENDOR		TELEPHONE Roger Downing (313) 377-2000
<b>Integrated Systems Solutions Corporation (ISSC)</b> <b>One Michigan Avenue, P.O. Box 30116</b> <b>Lansing, MI 48909</b>		 BUYER (313) 377-2000 <b>Christine Paul</b>
NIGP #920-23		
<b>MESC Mainframe Operations Contract</b>		
BPO PERIOD		To: <b>October 19, 2005</b>
From: <b>October 20, 1995</b>		
TERMS	SHIPMENT	
<b>Net 30 Days</b>	<b>As Required</b>	
F.O.B.	SHIPPED FROM	
<b>Delivered/Installed</b>	<b>N/A</b>	
MINIMUM DELIVERY REQUIREMENTS		
<b>N/A</b>		

**Contract for the Provision of Mainframe Operations and Support for the Michigan Employment Security Commission (MESC) in accordance with the attached Work Statement, Terms and Conditions and Cost Model.**

**CHANGE:** Effective immediately, the attached modifications identified as Change Authorization Order Numbers Two (2) through Six (6) are hereby incorporated into this contract.

**AUTHORITY:** Request from agency, vendor letter.

**INCREASE:** \$550,060.00

**CHANGE AUTHORIZATION ORDER FORM**

Change Authorization Order for the MMO Contract  
 Contract Number 071B6000116  
 Change Authorization Order Number 2

**I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and Integrated Systems Solutions Corporation ("ISSC") dated October 18, 1995, and is issued in accordance with Section 2. Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2. Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

**II. Description of Change**

This is a new payment deliverable to the MMO Contract to conduct MVS overview classes to MESC employees. This class is the first of several MVS training courses.

**TITLE: H3954 MVS OVERVIEW**

This course provides MVS system operators and application programmers with an overview of the facilities and components of the MVS operating system. Find out how the operating system schedules, dispatches and supervises the work of a computing system.

**WHO SHOULD TAKE THIS COURSE:** Operators, application programmers, and managers new to the MVS environment.

**WHAT YOU ARE TAUGHT:** After completing this course, you should be able to:

- Identify the major software components required in a MVS system
- Distinguish between the different types of storage in a MVS environment and match each type with its managing MVS software component
- Match the key phases of job execution with their functional responsibilities
- List the system services required to support a job
- Identify the major subsystems and their functions

**A. Scope**

The scope of this change authorization includes:

- Scheduling instructors and facilities
- Providing meeting room to conduct class
- Providing copies of student handouts
- Conducting the class four times for approximately 33 students per class, or 131 students in total.

**B. Deliverables**

Student handout and materials will be provided in class.

**C. Costs**

Price for four classes of 1-30 students per class	\$ 57,300.00
Price for each additional student over 30	\$ 214.00

**D. Schedule**

The MVS overview class will be conducted four times:

1. May 28 at 3:30 am	to	May 29 at 5:00 pm
2. May 30 at 3:30 am	to	May 31 at 5:00 pm
3. June 4 at 3:30 am	to	June 5 at 5:00 pm
4. June 6 at 3:30 am	to	June 7 at 5:00 pm

The classes will be held in the meeting room below the Pegasus in the Fischer restaurant, 3011 W. Grand Blvd., Detroit, Michigan 48202.

**III. State Authorization**

Check One:

☒ This order shall be performed for the benefit of the Michigan Employment Security Commission (the "MESC") and is not valid until signed by an authorized representative of the MESC, the Contract Administrator, and the Purchasing Director.

☐ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* (the "Authorizing Agency") and all amounts to be paid to ISSC pursuant to this order shall be paid solely from funds available to the Authorizing Agency. ISSC hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against ISSC. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

**IV. Attachments**

Integrated Systems Solutions Corporation

By: [Signature]Title: Project ManagerDate: 7/25/96

Michigan Employment Security Commission

By: [Signature]Title: AS SuptDate: 9/26/96

Contract Administrator

By: [Signature]Title: CONTRACT ADMINISTRATORDate: 7/26/96

Department of Management and Budget (Purchasing)

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



ISSC - Government  
Seventh Floor  
7310 Woodward Ave.  
Detroit, MI 48202  
313-876-6738

June 5, 1996

Ms. Violetta Ogilvy  
Michigan Employment Security Commission  
State of Michigan  
5th Floor  
7310 Woodward Avenue  
Detroit, MI 48202

Dear Ms. Ogilvy,

We are pleased to respond to your Request for Changes to the State of Michigan  
MMO Contract for MVS ISPF and JCL Training.

Attached is Change Order Number: 3.

This Change Order is open for acceptance until June 11, 1996.

Sincerely,

Ed Johnson  
ISSC Project Manager

cc: Dan Kubicz  
Ken Washburn

Enclosure

## **CHANGE AUTHORIZATION ORDER FORM**

### **Change Authorization Order for the MMO Contract**

**Contract Number 071B6000116**

**Change Authorization Order Number 3**

#### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and Integrated Systems Solutions Corporation ("ISSC") dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

#### **II. Description of Change**

This is a new payment deliverable to the MMO Contract to teach an MVS ISPF and JCL class to MESC employees. This class is the second of several MVS training courses.

This is a custom class comprised of 1 day of *H3991 -- ISPF V4 FOR MVS/ESA* and 3.5 days of *H3838 -- MVS JOB CONTROL LANGUAGE AND UTILITIES*

#### **TITLE: H3991 ISPF V4 FOR MVS/ESA**

This modularly-constructed course provides the knowledge needed to use ISPF Version 4, and guidance to manage and develop ISPF 4 dialogs or applications. Students are taught the basic ISPF operations and introduced to the Dialog Tag Language (DTL) necessary to create interactive applications. The specific modules available in this course are:

- Module 1: Basic ISPF Facilities
- Module 2: Customizing Session Options

**WHO SHOULD TAKE THIS COURSE:** Application programmers planning to use ISPF 4 for managing and tracking software program development.

**WHAT YOU ARE TAUGHT:** After completing all the modules of this course, you should be able to:

Day 1:

- Overview and Logon Lab
- Edit/View/Browse Datasets Lab
- Utilities Lab
- Basic TSO and SDSF Lab

**PREREQUISITES:** The prerequisites vary, depending upon the modules being taken. They include:

- Having a working knowledge of MVS and TSO

## **TITLE: H3838 MVS JOB CONTROL LANGUAGE AND UTILITIES**

This course teaches you how to use MVS job control language (JCL) and selected MVS utility programs in an online batch environment. Both SMS (Storage Management Subsystem) and non-SMS JCL are discussed. Hands-on lab exercises reinforce the lecture material.

**WHO SHOULD TAKE THIS COURSE:** People who want to use MVS JCL and MVS utilities.

**WHAT YOU ARE TAUGHT:** After completing this course, you should be able to:

- Code basic JCL statements using proper syntax and coding rules, including JCL for:
  - ◊ Creating new data sets
  - ◊ Referencing existing data sets
  - ◊ Condition code testing
  - ◊ IF/THEN/ELSE/ENDIF constructs
  - ◊ Generation data groups
  - ◊ Output routing
- Identify storage management subsystem Use in-stream and cataloged procedures requirements
- Code procedure overrides and additions
- Specify symbolic parameters in procedures
- Use include groups
- Recognize and resolve common ABENDS



- Use selected utility programs
- Code sort and merge control statements and associated JCL statements

**PREREQUISITES:** Before taking this course, you should understand MVS concepts and facilities. This knowledge can be developed by taking MVS/ESA Concepts and Facilities (Z2306).

### **A. Scope**

The scope of this change authorization includes:

- Scheduling instructors and facilities
- Installing the Lab materials on the Boulder MVS System
- Providing meeting room to conduct class the first class, the week of June 10.
- Providing copies of student handouts
- Conducting the class seven times for a approximately 15 students per class, or 101 students in total.

### **B. Deliverables**

Student handout and materials will be provided in class.

### **C. Costs**

Price for seven classes of 1-15 students per class	\$124,400.00
Price for each additional student over 15	\$ 500.00

### **D. Schedule**

The MVS Overview class will be conducted seven times:

Class Start	Class End	Location
1. Monday 6/10/96 8:30	Friday 6/14/96 4:30	IBM Southfield Building, Room 411
2. Monday 6/17/96 8:30	Friday 6/21/96 4:30	MESC 2nd Floor Training Room
3. Monday 6/24/96 8:30	Friday 6/28/96 4:30	MESC 2nd Floor Training Room
4. Monday 7/8/96 8:30	Friday 7/12/96 4:30	MESC 2nd Floor Training Room
5. Monday 7/15/96 8:30	Friday 7/19/96 4:30	MESC 2nd Floor Training Room
6. Monday 7/29/96 8:30	Friday 8/2/96 4:30	MESC 2nd Floor Training Room
7. Monday 8/5/96 8:30	Friday 8/9/96 12:00	MESC 2nd Floor Training Room

### III. State Authorization

Check One:

X This order shall be performed for the benefit of the Michigan Employment Security Commission (the "MESC") and is not valid until signed by an authorized representative of the MESC, the Contract Administrator, and the Purchasing Director.

\_\_\_\_ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* ( the "Authorizing Agency") and all amounts to be paid to ISSC pursuant to this order shall be paid solely from funds available to the Authorizing Agency. ISSC hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against ISSC. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

### IV. Attachments

Integrated Systems Solutions Corporation

By: [Signature]  
 Title: Project Manager  
 Date: 9/5/96

Michigan Employment Security Commission

By: [Signature]  
 Title: \_\_\_\_\_  
 Date: 9 August 96

Contract Administrator

By: [Signature]  
 Title: PROJECT MANAGER  
 Date: 8/23/96

Department of Management and Budget (Purchasing)

By: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_



ISSC - Government  
Seventh Floor  
7310 Woodward Ave  
Detroit, MI 48202  
313-876-6738

August 6, 1996

Ms. Violetta Ogilvy  
Michigan Employment Security Commission  
State of Michigan  
5th Floor  
7310 Woodward Avenue  
Detroit, MI 48202

Dear Ms. Ogilvy,

We are pleased to respond to your Request for Changes to the State of Michigan  
MMO Contract for Training.

Attached is Change Order Number: 4 r.

This Change Order is open for acceptance until August 12, 1996.

Sincerely,

Ed Johnson  
ISSC Project Manager

cc: Dan Kubicz  
Deb Patterson  
Enclosure

## **CHANGE AUTHORIZATION ORDER FORM**

### **Change Authorization Order for the MMO Contract**

**Contract Number 071B6000116**

**Change Authorization Order Number 4 r**

#### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and Integrated Systems Solutions Corporation ("ISSC") dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

#### **II. Description of Change**

This is a new payment deliverable to the MMO Contract to <sup>21K</sup>teach have Compuware teach classes to MESC employees in the use of File-Aid/MVS, Playback, Abend-Aid, and Xpediter.

##### **A. Scope**

The scope of this change authorization includes conducting the following classes for up to 18 students per class:

<u>Class Title</u>	<u>Duration</u>	<u>Start</u>	<u>End</u>
File-Aid Online and Batch	4 days	7/8/96	7/11/96
File-Aid Online and Batch	4 days	7/15/96	7/18/96
File-Aid Online and Batch	4 days	7/22/96	7/25/96
File-Aid Online and Batch	4 days	7/29/96	8/1/96
File-Aid Online and Batch	4 days	8/5/96	8/8/96
File-Aid Online and Batch	4 days	8/26/96	8/29/96
Intro to PLAYBACK	1 day	8/19/96	8/19/96
Abend-Aid	1 day	8/14/96	8/14/96
Abend-Aid	1 day	8/15/96	8/15/96

Class Title	Duration	Start	End
Abend-Aid	1 day	8/16/96	8/16/96
XPEDITER-CICS	1 day	8/20/96	8/20/96
XPEDITER-CICS	1 day	8/21/96	8/21/96
XPEDITER-CICS	1 day	8/23/96	8/23/96

Classes will be held at Compuware Corporation, 31500 Northwestern Highway, Farmington Hills, Michigan, 48334.

### **B. Deliverables**

Student handout and materials will be provided in class.

### **C. Costs**

Price of each day of class:	\$ 2,400.00
Price for 31 days of classes:	\$ 74,400.00

### III. State Authorization

Check One:

X This order shall be performed for the benefit of the Michigan Employment Security Commission (the "MESC") and is not valid until signed by an authorized representative of the MESC, the Contract Administrator, and the Purchasing Director.

\_\_\_\_\_ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* ( the "Authorizing Agency") and all amounts to be paid to ISSC pursuant to this order shall be paid solely from funds available to the Authorizing Agency. ISSC hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against ISSC. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

### IV. Attachments

Integrated Systems Solutions Corporation

By: [Signature]  
 Title: Project Manager  
 Date: 8/6/96

Michigan Employment Security Commission

By: [Signature]  
 Title: \_\_\_\_\_  
 Date: 5 August 96

Contract Administrator

By: [Signature]  
 Title: PROJECT MANAGER  
 Date: 8/23/96

Department of Management and Budget (Purchasing)

By: \_\_\_\_\_  
 Title: \_\_\_\_\_  
 Date: \_\_\_\_\_



ISSC - Government  
Seventh Floor  
7310 Woodward Ave.  
Detroit, MI 48202  
313-876-6738

August 6, 1996

Ms. Violetta Ogilvy  
Michigan Employment Security Commission  
State of Michigan  
5th Floor  
7310 Woodward Avenue  
Detroit, MI 48202

Dear Ms. Ogilvy,

We are pleased to respond to your Request for Changes to the State of Michigan  
MMO Contract for Training.

Attached is Change Order Number: 5.

This Change Order is open for acceptance until August 12, 1996.

Sincerely,

Ed Johnson  
ISSC Project Manager

cc: Dan Kubicz  
Deb Patterson

Enclosure

## **CHANGE AUTHORIZATION ORDER FORM**

**Change Authorization Order for the MMO Contract**

**Contract Number 071B6000116**

**Change Authorization Order Number 5**

### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and Integrated Systems Solutions Corporation ("ISSC") dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

### **II. Description of Change**

This is a new payment deliverable to the MMO Contract to teach Cobol Differences, IMS Fundamentals, and JES2 Operator Training to MESC employees.

#### **A. Scope**

The scope of this change authorization includes conducting the following classes for up to 18 students per class:

<u>Class</u>	<u>Duration</u>	<u>Start Date</u>	<u>End Date</u>
COBOL Differences	2 days	9/3/96	9/4/96
COBOL Differences	2 days	9/5/96	9/6/96
COBOL Differences	2 days	9/9/96	9/10/96
JES2 Operator Training	1.5 days	8/5/96	8/6/96
JES2 Operator Training	1.5 days	8/6/96	8/7/96
IMS Fundamentals	2 days	9/17/96	9/18/96
IMS Fundamentals	2 days	9/20/96	9/23/96
IMS Fundamentals	2 days	9/25/96	9/26/96



The Cobol and IMS Classes will be held on the fourth floor of the IBM Southfield Center, 18000 West Nine Mile Road, Southfield, Michigan 48086.

The JES Classes will be held at MESC Building in Detroit.

**B. Deliverables**

Student handout and materials will be provided in class.

**C. Costs**

Class	Total Days	Cost
Cobol Differences	6 days	\$ 25,800.00
JES Operator Training	3 days	11,000.00
IMS Fundamentals	6 days	\$ 35,700.00
Total		\$ 72,500.00

### III. State Authorization

Check One:

X This order shall be performed for the benefit of the Michigan Employment Security Commission (the "MESC") and is not valid until signed by an authorized representative of the MESC, the Contract Administrator, and the Purchasing Director.

\_\_\_\_ This order shall be performed for the benefit of \*\*\*\* AGENCY NAME GOES HERE \*\*\*\* ( the "Authorizing Agency") and all amounts to be paid to ISSC pursuant to this order shall be paid solely from funds available to the Authorizing Agency. ISSC hereby acknowledges that the Authorizing Agency is a Party to the Contract solely with respect to this Order and shall have the right to enforce the terms and conditions of this Order and the Contract (insofar as they apply to this Order) in its own name directly against ISSC. This order is not valid until signed by an authorized representative of the Authorizing agency, the Contract Administrator, and by the Purchasing Director.

### IV. Attachments

Integrated Systems Solutions Corporation

By: [Signature]  
Title: Project Manager  
Date: 8/6/96

Michigan Employment Security Commission

By: [Signature]  
Title: \_\_\_\_\_  
Date: 9 August 96

Contract Administrator

By: [Signature]  
Title: PROJECT MANAGER  
Date: 8/23/96

Department of Management and Budget (Purchasing)

By: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

STATE OF MICHIGAN  
DEPARTMENT OF MANAGEMENT AND BUDGET  
OFFICE OF PURCHASING  
P.O. BOX 30026, LANSING, MI 48909  
OR  
530 W. ALLEGAN, LANSING, MI 48933

May 1, 1996

CHANGE NOTICE NO. 1  
TO  
BLANKET PURCHASE ORDER NO. 071B6000116  
between  
THE STATE OF MICHIGAN  
and

NAME & ADDRESS OF VENDOR		TELEPHONE Roger Downing (517) 277-2081
Integrated Systems Solutions Corporation (ISSC) One Michigan Avenue, P.O. Box 30116 Lansing, MI 48909		 Billie Collins <i>BC</i>
NIGP #920-23		
MESC Mainframe Operations Contract		
BPO PERIOD From: October 20, 1995 To: October 19, 2005		
TERMS	SHIPMENT	
Net 30 Days	As Required	
F.O.B.	SHIPPED FROM	
Delivered/Installed	N/A	
MINIMUM DELIVERY REQUIREMENTS		
N/A		

Contract for the Provision of Mainframe Operations and Support for the Michigan Employment Security Commission (MESC) in accordance with the attached Work Statement, Terms and Conditions and Cost Model.

**CHANGE:** To incorporate the Compuware Playback product, as described in the attached Change Authorization Order Form, into this contract.

**AUTHORITY:** Agency request 4/25/96.

## **CHANGE AUTHORIZATION ORDER FORM**

**Change Authorization Order for the MMO Contract**

**Contract Number 071B60001~~X~~16**

**Change Authorization Order Number 1 (revised)**

### **I. Effect on Contract**

This Change authorization order (the "Order") is subject to all terms and conditions of the Michigan Employment Security Commission Mainframe Operations (the "MMO") Contract (the "Contract") between the State of Michigan and Integrated Systems Solutions Corporation ("ISSC") dated October 18, 1995, and is issued in accordance with Section 2, Subsection 30 of the Contract. Except as expressly specified in this Order, all terms and conditions of the Contract shall remain in full force and effect upon execution of this Order. This Order is not valid until it is executed in accordance with Section 2, Subsection 30 of the Contract. In the event of any inconsistency or ambiguity between the terms and conditions of this Order and the terms and conditions of the Contract, the terms and conditions of this Order shall control.

### **II. Description of Change**

MESC has stated a requirement to use the Compuware Playback product to capture a full-day of on-line production CICS workload on one Area and the Central systems, and replay that CICS workload against the converted applications on the Boulder MESC system.

The purpose of this change authorization is to add Playback to the list of software products to be included on the Boulder system, and to incorporate Playback into the Conversion Testing Plans

Incorporated into this change authorization is the removal of software products from the list of software products that were to be included on the Boulder system. The products are Computer Associates' Corporate Tie and Corporate Tie Unattended. MESC has stated these products are not in use today and will not be required on the Boulder system.

### **A. Scope**

The scope of this change order includes:

1. Acquire Compuware Playback for MVS and install it on the Boulder MESC MVS Development LPAR.
2. Acquire Compuware Playback for VSE and provide it to MESC to install on the Area 2, Central, and Training VSE CICS systems.
3. Assist MESC with developing an acceptance testing plan using Playback.
4. Assist MESC in capturing the production data files and production transaction traces using Playback on the VSE production systems.
5. Load the data files and production transactions on the Boulder MVS Development LPAR.
6. Assist MESC in replaying the production transactions on the Boulder MESC Development LPAR.
7. Assist MESC in reporting and resolving problems which occur during the replaying process.
8. Remove the following products from the list of products to be installed on the Boulder MVS System: CA Corporate Tie and CA Corporate Tie Unattended.

### **B. Deliverables**

The following deliverables will be prepared as a part of this change authorization:

1. A temporary license to use Playback for VSE on the MESC VSE Systems, with the term of the license to run until 8/30/96.
2. A non-exclusive, perpetual license for Playback/MVS on the Boulder MVS Systems, for use on an IBM Model Group 40-sized processor.
3. A modified test plan which incorporates the use of Playback.

The following contract deliverables will not be delivered as a part of this change authorization:

1. CA Corporate Tie
2. CA Corporate Tie Unattended

### **C. Costs**

The net cost of this change authorization is \$0.00.

CPU usage and DASD Usage of the Playback/MVS product on the Boulder MESC MVS systems after the system cutover will be added to the MESC Monthly Usage Fees.